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29 August 1984

## **Southeast Asia Report**



**FOREIGN BROADCAST INFORMATION SERVICE**

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29 August 1984

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KAMPUCHEA

CLANDESTINE RADIOS REPORT BATTLEFIELD ACTIVITIY

Attack on Kompong Som Battlefield

BK051116 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
4 Aug 84

[Text] On 28 July, our National Army and guerrillas launched an attack to liberate commune offices in (Sok San) and Phneay communes and a company position that forms the defense network for the battalion at Phnum Kraol on Kompong Som battlefield. We killed four Vietnamese enemy soldiers and wounded another for a total of five casualties. We destroyed an assortment of 15 weapons, 4 sacks of rice, 1 commune office building, 4 barracks, 1 commanding post, and a quantity of war materiel. We also seized two AK's, one B-40 rocket launcher, five SK's, two hand grenades, four B-40 rockets, and a quantity of war materiel. We liberated three villages, namely (Ak Buon Leu), Treh, and (Sok San) and rescued four Khmer soldiers.

Long live our valiant and courageous National Army, guerrillas, and people on the Kompong Som battlefield!

Attacks on SRV Troops

BK051114 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
4 Aug 84

[Text] On 20 and 21 July, our national army and guerrillas intercepted and smashed a Vietnamese battalion at Sambok Kriel, south of Sambok Kriel, and at Ach Sat village, northeast of it on the Kompong Chhnang battlefield. We killed 15 Vietnamese enemy soldiers and wounded 17 others. Seven more soldiers were killed and two wounded when they fled and stepped on our mines, bringing the total number of casualties to 41. We destroyed an assortment of 13 weapons and seized a map and a quantity of war materiel.

On 30 July, our national army and guerrillas attacked a Vietnamese commune office at Anhchanh Rung in Baribo District, Kompong Chhnang battlefield. We killed a Vietnamese enemy soldier on the spot, wounded two others, and destroyed a commune office building, a barracks, and a quantity of documents and materiel. We also seized an AK, 15 sacks of rice, and a quantity of materiel.

Long live our valiant and courageous national army, guerrillas, and people in Baribo District, Kompong Chhnang battlefield!

Attacks on Northern Commune Office

BK051133 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
4 Aug 84

[Text] On 25 July, our national army and guerrillas attacked the Vietnamese commune office at Rumdeng and at Chamka Leu village on the Chhep-Thalabarivat battlefield [Preah Vihear-Stung Treng province]. We destroyed a barracks and seized an SK rifle and 500 rounds of ammunition. We liberated and controlled this commune office for one night before retreating to our base.

On the night of 26 July, our national army and guerrillas attacked a Vietnamese platoon position in Rumdeng commune on the Chhep-Thalabarivat battlefield. After a 15-minute battle, we took complete control of this platoon position. We killed two Vietnamese enemy soldiers and wounded three others for a total of five casualties. We destroyed 4 barracks, 5 trenches, 2 AK's, and a quantity of materiel. We also seized 3 AR-15's, an SKS rifle, 200 rounds of AR-15 ammunition, 6 AR-15 loaders, 15 AK loaders, and a quantity of materiel.

On the night of 26 July, our national army and guerrillas attacked the Rumdeng commune office again. We killed or wounded a number of Vietnamese enemy soldiers. We controlled this position for one night before retreating to our base.

Long live our valiant and courageous national army, guerrillas, and people on the Chhep-Thalabarivat battlefield!

26 July Ambush in Battambang

BK051124 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
4 Aug 84

[Text] On 26 July, two Vietnamese battalions moved from Stoeng Sangke to (Pralay Thngho) and from Ta Pon to Vat Thmich. We intercepted and forced them to flee back in panic to Stoeng Sangke and Ta Pon. We killed 16 Vietnamese enemy soldiers, including a battalion commander, and wounded 25 others for a total of 41 casualties. We destroyed 11 AK's, 2 B-40 and a B-41 rocket launchers, an RPG machinegun, 2 60-mm mortars, a C-25 radio, and a quantity of war materiel. We seized 500 rounds of AK ammunition, 2 B-40 rockets, 2 bundles of goods, 5 sets of uniforms, 3 helmets, and a quantity of war materiel.

Long live our valiant and courageous national army, guerrillas, and people on the Battambang battlefield!

Guerrillas Attack Platoon Post

BK060615 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
5 Aug 84

[Text] Our national army and guerrillas launched a commando attack on a Vietnamese enemy platoon position in Rumdeng village on the Chhep-Thalabarivat battlefield on 26 July. After 15 minutes of fighting we completely occupied the position, killing 2 Vietnamese soldiers, wounding 3 others, destroying 15 trenches, 5 barracks, 2 AK's, 1 M-30, and some materiel, and seizing some other materiel.

Long live our valiant national army, guerrillas, and people of the Chhep-Thalabarivat battlefield!

5 Villages 'Liberated'

BK060740 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 5 Aug 84

[Excerpt] Battle report from Moung battlefield [Battambang Province]: On 31 July, we attacked a Vietnamese commune office at Chrey for the third time. After a 10-minute battle, we completely destroyed this commune office. We killed an enemy soldier and wounded two others. We destroyed an AK, two commune office buildings, a Vietnamese expert's house, four barracks, and six trenches. We also seized 12 sacks of rice and a quantity of materiel. We liberated five villages, namely Chrey, Mreas Preou, (Tuol Ta Phon), Angkrong, and (Don Srei). On the night of 25 July, we damaged the railway line at 12 places between (Kbal Chay) and Moung for a total of 444 meters. On 30 July, we damaged the railway line at 20 places for a total of 240 meters between Svay Don Keo and Svay District.

2 Kompong Thom Villages 'Liberated'

BK070520 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 6 Aug 84

[Excerpt] Here is a report from various battlefields:

Kompong Thom battlefield, Kompong Svay District: On 16 July, we attacked the Sambo commune office located at Kompong Chheuteal. We killed 5 Vietnamese soldiers and wounded 5 others, seized 15 weapons, and liberated 2 villages-- Phum Sambo and Phum Samret.

Moung-Pursat Battlefield Report

BK110839 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
10 Aug 84

[Text] On 3 August, our national army and guerrillas for the third time attacked the Vietnamese enemy's commune office at (Ta Leak) commune, Moung-Pursat battlefield [Battambang and Pursat provinces].

After 10 minutes of fighting, we occupied this commune office. We killed nine Vietnamese enemy soldiers and wounded two others. We destroyed a commune office, a Vietnamese expert's house, 2 military barracks, 5 trenches, and a quantity of military materiel. We liberated eight villages: (Ta Leak), Traoh, Pralay Phdau, Vat Chas, Veal, Stoeng Thmei, Sdei Stoeng, and (Manok).

On 4 August, Vietnamese enemy soldiers gathered in Moung District seat in an attempt to take back this commune office from us, but were ambushed by us. Four Vietnamese enemy soldiers were killed and five others were wounded. We destroyed a B-40, an RPD, two AK's, and a quantity of military materiel. We also seized some military materiel. We inflicted 20 casualties on the Vietnamese enemy soldiers.

Long live our valiant and courageous national army, guerrillas, and people on the Moung-Pursat battlefield!

#### Kompong Som Battlefield Report

BK130805 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
12 Aug 84

[Text] On the night of 3 August, our national army and guerrillas attacked a Vietnamese commune office in Ream on Kompong Som [Koh Kong Province] battlefield. We killed two Vietnamese enemy soldiers and wounded two others for a total of four casualties; destroyed eight commune office buildings and two barracks; and seized two M-79's, a typewriter, five sets of clothing, and a quantity of military materiel.

Long live our valiant and courageous national army, guerrillas, and people on Kompong Som battlefield!

#### Attack in Kompong Speu Province

BK130814 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
12 Aug 84

[Text] On 3 August, our national army and guerrillas attacked the Vietnamese enemy at Peang Lvea commune office in Oudong District, Kompong Speu battlefield [Kompong Speu Province]. We killed 2 Vietnamese enemy soldiers and wounded 5 others for a total of 7 casualties; destroyed 2 AK's, an AR-15, a commune office, 4 barracks, a stock of 50 sacks of paddy, and a quantity of war materiel; and seized an AK, 3 AR-15's, 11 rounds of M-79 ammunition, and a quantity of materiel.

Long live our valiant and courageous national army, guerrillas, and people of Oudong District, Kompong Speu battlefield!

### 8 Villages 'Liberated'

BK150359 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 14 Aug 84

[Report from various battlefields]

[Excerpt] Sisophon-South of Route 5 battlefield: On 8 August, we attacked the Vietnamese commune office at Koup Toch commune. After 20 minutes of battle, we totally liberated this commune office; killed or wounded a number of enemy soldiers; destroyed 2 commune office buildings, 3 trenches, and a quantity of documents and war materiel; seized 3 AK's, 1 SK, 1 SKS, 10 B-40 rockets, 1 typewriter, and a quantity of war materiel; and liberated 8 villages--Phum Nimit Ti Muoy, Nimit Ti Pi, Nimit Ti Bei, Nimit Ti Buon, Kan Theay, Reang Dong, Kaoh Cha Dong, and Aranh. During the day and night of 7 July [month as heard], we attacked enemy soldiers at Ta Khiev position, in an area east of Ta Khiev, at Phleov Damrei position, and at Lovea, killing six and wounding six.

Kompong Thom battlefield, Thpong District: On 6 August, we ambushed Vietnamese soldiers in an area located between Phsa Angkam bridge and Sanko on Route 6, wounding a Vietnamese provincial committee member and seizing a motorcycle and a quantity of war materiel.

### 15 SRV Casualties

BK170535 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 16 Aug 84

[Text] On 6 August, our National Army and guerrillas launched an attack against a Vietnamese position at (Tul Kon) bridge on the railway line east of Pursat on Pursat battlefield [Pursat Province]. After a 15-minute battle, we completely liberated this position. We killed four Vietnamese soldiers and wounded eight others. We destroyed 3 AK's, a B-40 rocket launcher, 8 barracks, and 20 trenches. We also seized 1 AK, 2 AK loaders, 150 rounds of AK ammunition, 4 bundles of goods, and 12 hammocks. The next morning, the Vietnamese enemy came out from Pursat in an attempt to take this position back from us. However, three of the Vietnamese soldiers died when they stepped on our mines, bringing to 15 the number of casualties.

Long live our valiant and courageous National Army, guerrillas, and people on the Pursat battlefield!

### 22 July Attack on Town

BK270239 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 26 Jul 84

[Text] On 22 July, our national army launched a successful 3-pronged attack against Thpong District seat at Anlung Chrey in Kompong Speu Province.

1. We killed 45 Vietnamese enemy soldiers, wounded 25 others, destroyed 39 AK's, 7 RPD machineguns, 3 SKS's, 2 pistols, 5 M-79's, 10 AR-15's, 2 B-40 rocket launchers, 2 B-41's, an 82-mm mortar, a carbine, 8 cases of 12.7-mm machinegun ammunition, 30 60-mm mortar shells, and a quantity of war materiel. We destroyed two ammunition depots, a stock of assorted weapons, a paddy warehouse containing 200 sacks of paddy, a rice stock with 80 sacks of rice, a war materiel warehouse, 3 big buildings, 34 barracks, 45 trenches, a trade office, 6 trucks, 2 cars, 6 motorcycles, 30 bicycles, a C-25 radio, a generator, 10 cans of gas, a map, and a quantity of documents and various materiel.
2. We seized 22 AK's, 3 M-79's, 2 AR-15's, 2 pistols, 2 B-40's, 1 60-mm mortar, 3,000 rounds of AK ammunition, 170 rounds of AR-15 ammunition, 10 60-mm mortar shells, 20 hand grenades, 2 C-25 radios, 5 rucksacks, 5 hammocks, and a quantity of war materiel.

We liberated 330 Khmer soldiers. We welcomed these compatriots. Half of them volunteered to join in the fight against the Vietnamese enemy; the other half ask to go back home.

CSO: 4212/59

VODK VIEWS DETERIORATION OF SRV'S ECONOMY

BK240626 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
23 July 84

[Station commentary: "Vietnam's Economy Has Been Deteriorating Because the Vietnamese Have Waged a War of Aggression in Kampuchea"]

[Text] During the sixth plenum of the fifth CPV Central Committee, which was held from 3 to 10 July, the Hanoi Vietnamese leaders admitted that production in Vietnam is now declining, especially in foodstuffs, energy, and materials, Vietnam's economy has been unbalanced. The Vietnamese currency was seriously devaluated. The price of goods is sky-high. The Vietnamese people have encountered serious hardship.

In the past several years, since the Le Duan clique has waged a war of aggression in Kampuchea, Vietnam's economy has been seriously deteriorating. Foreign journalists and guests who visited Vietnam have realized and have seen with their own eyes the deterioration of Vietnam's economy. There are few agricultural and industrial goods in markets. In the industrial field, many factories do not work due to the lack of energy and raw materials. Vietnam's currency was devaluated. Vietnam has serious debts. This has made the Vietnamese people live in a poor condition. Corruption, robbery, and the black market occur throughout Vietnamese society. What is the cause of the deterioration of Vietnam's economy?

The main cause of the deterioration of Vietnam's economy is Vietnam's war of aggression in Kampuchea. Vietnam is a poor country and has suffered from war for over 30 years. After the reunification of Vietnam, the Le Duan clique should have gathered forces and resources to build the economy and improve the Vietnamese people's standard of living. On the contrary, the Le Duan clique has gathered the remaining funds and national resources to spend in the military field. This clique has continued its war of aggression in Kampuchea. It has arrested and forced hundreds of thousands of Vietnamese people and youths to join the army. These Vietnamese soldiers were sent to fight in Kampuchea. They were also sent to the northern border to make provocations against China. Furthermore, the Vietnamese have maintained 60,000 soldiers in Laos. This has caused the lack of manpower in Vietnam which has seriously affected production.

At the same time, Vietnam can only survive with foreign aid. Since the Vietnamese sent hundreds of thousands of soldiers to attack and occupy Kampuchea, all peace- and justice-loving countries provide no more aid to Vietnam. Vietnam's economy has encountered more difficulties. The Le Duan Vietnamese enemy aggressors have stolen and gathered the Vietnamese people's foodstuffs, fuel, means of transport, and even economic and humanitarian aid to serve their war of aggression in Kampuchea. This is the main cause of the deterioration of Vietnam's economy. This has made the Vietnamese people of all strata angry with the Le Duan Vietnamese clique, which does not care about their living conditions. The Le Duan clique does not pay attention to the construction of Vietnam's economy. Instead, it has arrested and forced Vietnamese husbands, children, and grandchildren to join the army and die in Kampuchea. Therefore, the Vietnamese people have opposed and struggled against the Le Duan clique with all their means. They have distributed leaflets and spread rumors opposing and denouncing the Le Duan clique. They have staged sabotage and even waged an armed struggle against the Hanoi Vietnamese administration. All of this has made the Le Duan clique encounter serious difficulties in their own country in addition to their serious trouble on the Kampuchean battlefield and on the international scene.

If the Le Duan Vietnamese clique wants to solve all these difficulties, they must abandon their ambition to swallow Kampuchean territory and reign over Southeast Asia. They must withdraw all of their troops from Kampuchea. They must gather all their forces and national resources to restore and construct Vietnam's economy and improve the Vietnamese people's living conditions.

If the Le Duan clique is stubborn and continues its war of aggression in Kampuchea, it will be defeated by the Kampuchean people and by the national army and guerrillas of Democratic Kampuchea on the Kampuchean battlefield, will be more isolated on the international scene, and it will be opposed and toppled by the Vietnamese people.

CSO: 4212/59

KAMPUCHEA

VONADK NOTES SIHANOUK GREETINGS TO MUBARAK

BK270411 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 26 Jul 84

[22 July message from Democratic Kampuchean President Norodom Sihanouk to Egyptian President Hosni Mubarak]

[Text] Your excellency: On the occasion of the Arab Republic of Egypt's glorious national day, I would like to send you my warmest congratulations and the warmest wishes of the Kampuchean people, the CGDK, and myself for your happiness, success, and the achievement of your historic and noble task of leading the Arab Republic of Egypt and the Egyptian people. May the courageous and valiant Egyptian people be endowed with happiness and prosperity. May the Arab Republic of Egypt continue to prosper under your clear-sighted leadership.

I would also like to take this auspicious opportunity to express to your excellency my gratitude for the vigorous and firm support you, the people, and the government of the glorious Arab Republic of Egypt have provided to the CGDK and our struggle for national liberation.

Please accept my highest and fraternal greetings.

Paris, 22 July 1984

[Signed] Norodom Sihanouk, president of Democratic Kampuchea

CSO: 4212/59

KAMPUCHEA

**VODK REPORTS VISIT OF YUGOSLAV PAPER DELEGATION**

BK040805 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
3 Aug 84

[Text] A delegation of the Yugoslav paper POLITIKA visited Democratic Kampuchea from 27 to 31 July. The delegation was led by (Bredik Joran) and included (Yeleze Vicmiyoliouf) as a member.

Upon its arrival in Democratic Kampuchea, the friendly Yugoslav delegation was cordially and warmly welcomed by cadres of the Foreign Ministry. On the afternoon of 27 July, His Excellency Ieng Sary, minister in charge of the Coordinating Committee for Economy and Finance, received the delegation at an office of Democratic Kampuchea. The meeting, attended by cadres of relevant ministries, was held in a friendly, cordial, and sincere atmosphere.

During their stay in Democratic Kampuchea, the Yugoslav friends visited a school, a hospital, shops, a monastery, and watched the military training of a unit of the Democratic Kampuchean national army. The representatives of the Yugoslav paper POLITIKA met and held talks with (Ni Kan), commander of Division 320, at an office of the division. They also met our transport units who were ready to leave for the battlefield. The Yugoslav friends met and talked with many military cadres, combatants, and people. After the talks and seeing with their own eyes the evolution of the national liberation war for the defense of their race waged by the Kampuchean people and the national army of Democratic Kampuchea against the Vietnamese enemy aggressors, the Yugoslav friends had the following impressions: You are ardent patriots. Your cause is correct. You will certainly win and you will completely liberate your country and nation.

After successfully visiting our Democratic Kampuchea, the delegation of the Yugoslav paper POLITIKA safely returned to their country.

CSO: 4212/59

KAMPUCHEA

VODK COMMENTARY ON SRV 'DARK MANEUVERS'

BK161130 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 15 Aug 84

[Station commentary: "The Multitude of Peace-, Justice-, and Independence-Loving Countries the World Over Will Not Be Taken in By Vietnam"]

[Text] The 39th UN General Assembly will meet in just over 1 month. The Hanoi Vietnamese enemy aggressors, their masters the Soviet expansionists, and their accomplices have been busily carrying out all kinds of poisonous and dark maneuvers--on the diplomatic field in the international arena and on the battle-field in Kampuchea--in an attempt to create confusion among world opinion concerning the Vietnamese aggression in Kampuchea and between the Hanoi Vietnamese aggressors, bandits, expansionists, and exterminators of the Kampuchean race, and the Kampuchean people who are victims of the Vietnamese act of aggression.

Vietnam has made efforts to spread deceitful propaganda, wage psychological warfare to change from black to white the situation in Kampuchea, and to slander the Kampuchean resistance forces fighting against the Vietnamese aggressors. This is in an attempt to isolate and scatter the Kampuchean resistance forces so that they cannot continue to vigorously struggle against the Vietnamese aggressors. It is also an attempt to resist and destroy the strength of the international front which is supporting and assisting the Kampuchean people's struggle against the Vietnamese aggressors so that this front becomes weak and has no more will to provide support and assistance to the Kampuchean people's struggle against the Vietnamese aggressors. However, up to now the Vietnamese have not been able to dupe anyone. On the one hand this is because the world is now more aware of the deceptive and tricky nature of the Hanoi Vietnamese who have been lying and cheating for almost 6 years. The world is also more aware of the Kampuchean problem which originated from the Hanoi Vietnamese sending hundreds thousands of troops to brutally and savagely attack and occupy Kampuchea in a most insolent and arrogant violation of the principles of international law and the UN Charter. Furthermore, everyone clearly realizes that Vietnam's aggression in Kampuchea is part of the Hanoi Vietnamese expansionist strategy in this region and is also part of Soviet international expansion strategy in the region.

Therefore, if one accommodates Vietnam and does not firmly oppose the Vietnamese act of aggression in Kampuchea, it would, for one thing, mean that one is

accepting the result of Vietnam's aggression in Kampuchea as a fait accompli. This will be an encouragement for the Vietnamese aggressors to carry on their war of aggression and occupation of Kampuchea forever. Furthermore, Vietnam would be pampered and have an edge in pushing further ahead in accordance with its regional expansionist strategy. This is a threat to peace, security, and stability of the entire region. On the other hand, if the world community is indifferent or accommodates Vietnam and allows it to annex Kampuchea, this would certainly create a bad precedent for other expansionists, encouraging and giving them free rein to commit aggression and intimidate small and weak countries in other parts of the world.

Therefore, the question of the world community taking a firm stand against Vietnam's act of aggression in Kampuchea and demanding that Vietnam withdraw all of its aggressor forces from Kampuchea is one which cannot be traded and it is for the common benefit of all countries in the region and other countries which have interests in this region, be it economic, transport, or strategic. At the same time, opposing Vietnam's aggression in Kampuchea and providing support and assistance to the Kampuchean people's struggle against the Vietnamese aggressors also benefits the safeguarding of world peace.

This is why no matter how good the Hanoi Vietnamese aggressors, their masters the Soviet expansionists, and their accomplices are at deceiving, cheating, spreading propaganda, and waging psychological warfare, in the past, and particularly recently, various state leaders and personalities the world over have continued to expose and condemn the Vietnamese aggressors, firmly providing support and assistance to the just struggle of the Kampuchean people and the CGDK.

In fact on 25 July, during a visit to China, Thai Foreign Minister Sitthi Sawetsila said the withdrawal of foreign troops--Vietnamese troops--from Kampuchea to let the Kampuchean people decide their own destiny is the way to resolve the Kampuchean problem politically. Thai Foreign Minister Sitthi Sawetsila and his Chinese counterpart Wu Xueqian also agreed to condemn the Vietnamese for not withdrawing their forces from Kampuchea. They stressed that as long as Vietnam does not withdraw its aggressor forces from Kampuchea, there will be no political solution to the Kampuchean problem.

On 1 August, at the end of a visit by DK President Samdech Norodom Sihanouk to Egypt, a joint communique was issued condemning the presence of Vietnamese troops in Kampuchea and demanding that Vietnam withdraw all its troops from Kampuchea and let the Kampuchean people decide their own destiny without outside interference. The Arab Republic of Egypt reaffirmed its recognition of the CGDK as the sole legitimate representative of Kampuchea which should occupy Democratic Kampuchea's seat in the United Nations and in other international organizations.

On 4 August, after talks between Mexican Foreign Minister Bernardo Sepukveda and Chinese Foreign Minister Xu Xueqian in Mexico City, a joint press communique was released affirming that the solution to the Kampuchean problem rests on the withdrawal of all foreign troops from Kampuchea, meaning that in order to

to resolve the Kampuchean problem, all Vietnamese aggressor forces must be withdrawn from Kampuchea.

On 11 August, during an interview with the Filipino news agency, His Excellency Carlos Romulo, former foreign minister of the Philippines, said that the Vietnamese escalation of their war of aggression and occupation of Kampuchea and the stepping up of their Vietnamization of the country is a most serious threat to the security of Southeast Asia. He said the Vietnamese act is dangerous for Kampuchea and for all of us. This is why we should continue to firmly support the ASEAN stand which demands that Vietnam withdraw its troops from Kampuchea. As long as Vietnamese forces remain in Kampuchea, the danger threatening us is always present.

All these opinions show that no matter how good the Hanoi Vietnamese enemy aggressors are at lying, deceiving, and tricking others, they cannot dupe anyone. They cannot bury the UN resolutions. And at the forthcoming 39th UN General Assembly, we hope that peace-, justice-, and independence-loving countries and those which respect the principles of international law and the UN Charter will raise their voices in more vigorously exposing and condemning the Vietnamese aggression against Kampuchea, continue to support Democratic Kampuchea's seat in the United Nations, and carry on firmly demanding that Vietnam withdraw all its aggressor forces from Kampuchea. The Le Duan Vietnamese enemy aggressors will certainly be defeated and disgraced and face more serious defeats than in previous years.

CSO: 4212/59

KAMPUCHEA

KAMPUCHEA HAILS HUN SEN TOUR OF AFRICA

BK051202 Phnom Penh Domestic Service in Cambodian 0430 GMT 5 Jul 84

[KAMPUCHEA commentary: "The Ever Radiant Light of Truth"]

[Text] By pursuing a foreign policy of independence, peace, friendship, cooperation, and nonalignment, the PRK has gained soaring prestige with every passing day, thus the friendly relations between the Kampuchean people and the nations in the five continents in the world have been increasingly and continuously strengthened and expanded.

The visit to a number of African countries paid from the beginning of February to the beginning of April and in June 1984 by Comrade Hun Sen, member of the KPRP Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of foreign affairs of the PRK, constituted a new trend of progress in the history of relationship between the PRK and the African countries.

During Comrade Hun Sen's recent official friendship visit to the Democratic Republic of Sao Tome and Principe and the Republic of Sierra Leone as well as his stop over at the People's Republic of Angola and the People's Republic of Congo, the atmosphere of friendship and solidarity prevailed simultaneously with the deepening of the unanimity and understanding on all the views concerning the struggle for independence, freedom, and people's well-being raised up by the Kampuchean and African countries. On behalf of the Kampuchean party, government, and people, during his official negotiations with the high-ranking leaders of those countries, Comrade Hun Sen informed them of the developments and progress in the PRK. He also stressed the PRK's goodwill, unswerving stand of solving all regional disputes through peaceful negotiations, particularly the three Indochinese countries' efforts in thoroughly implementing the resolution on the overall settlement of the problems in Southeast Asia adopted by the seventh nonaligned summit held in New Delhi. At the same time, Comrade Hun Sen expressed full support for the African people's valiant struggle against imperialism, colonialism, and racism and for the national development and well-being of the African people. The fact that the high-ranking leaders of those countries expressed their sincere welcome to the rebirth of the Kampuchean people and their high evaluation of the great victories scored in all fields during the past 5 years by the Kampuchean people under the correct and clear-sighted leadership of the KPRP and the PRK Government and particularly

the fact that the Democratic Republic of Sao Tome and Principe and the Republic of Sierra Leone have decided to establish diplomatic relations at ambassadorial level with the PRK further attest that the situation in Kampuchea is absolutely irreversible.

The withdrawal of another portion of the Vietnamese Army volunteers from Kampuchea in June this year clearly proves that the Kampuchean revolution is becoming stronger and the security situation in Kampuchea is becoming more stable with every passing day.

The African countries vehemently condemned the abominable genocidal regime. During their meetings with Comrade Hun Sen, the state leaders of these African countries stressed that the African people do not support the genocidal Pol Pot regime because this regime is far more cruel and barbarous than the Hitlerites, racists, and Israeli Zionists.

The success of Comrade Hun Sen's visit to African countries is tantamount to a heavy blow on the enemies who have been seeking all dirty schemes to reduce the influence of the Kampuchean revolution's victory. It is general knowledge that the Beijing hegemonists-expansionists have increased collusion with the U.S. imperialists and the Bangkok reactionary rulers in breathing life into the Pol Pot remnants and invading and occupying the territories along the Kampuchean-Thai, Lao-Thai, and Chinese-Vietnamese borders, thus creating a dangerous tension in this region. The Beijing authorities' increasing military collusion with Washington and its search for modern war means from the United States and some West European countries clearly attest to their unwillingness to solve the disputes in Southeast Asia through peaceful means. On the contrary, they have sought every means to seize Kampuchea, Vietnam, and Laos in their push toward controlling the whole of Southeast Asia. It is natural that those who play with fire will get burned. The Bangkok authorities who are fastening their necks to the war chariot of Beijing and Washington will inevitably encounter the bad consequences they create themselves. So far, 40 fraternal socialist countries, nonaligned countries, and national liberation movements have recognized and established diplomatic relations with the PRK. Among these are 24 countries and national liberation movements in Africa and the Middle East which have established diplomatic relations and de facto contacts with the PRK. It is true that our great diplomatic success in the international arena is made possible due to the undaunted and valiant struggle waged by our party members, cadres, combatants, and Kampuchean people throughout the country in the cause of national defense and reconstruction. The Kampuchean people are very proud of and happy with the success of Comrade Hun Sen's visit to some African countries. We express our profound gratitude to the governments and peoples of these African countries for accepting the reality in Kampuchea and giving us appropriate justice to us. We pledge to strengthen and expand the Kampuchea-Vietnam-Laos militant solidarity, consolidate our cooperation with the Soviet Union and the friendly socialist countries, and particularly deepen the solidarity, friendship, and cooperation between the Kampuchean people and the African countries' peoples for our common cause of peace, independence, freedom, and social progress. We are firmly convinced that victory will belong to the Kampuchean people and the reality in the PRK will shine brightly forever.

VODK COMMENTS ON SITTHI'S REMARKS TO HAYDEN

BK040634 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
3 Aug 84

[Station commentary: "The Le Duan Vietnamese Enemy Aggressors Have No Desire To Resolve the Kampuchean Problem Through Political Means in Compliance With the UN General Assembly Resolutions and the International Community's Demands"]

[Text] On 31 July, during his talks with Australian Foreign Minister Hayden in Bangkok, Thai Foreign Minister Sitthi Sawetsila stated that the Vietnamese show no sign of having the goodwill to resolve the Kampuchean problem through political means.

The international community and all humanity clearly realize that the Le Duan Vietnamese enemy aggressors are most savage and barbarous aggressors. They do not respect international law, the UN Charter, or the international community's demands. On the contrary, the Vietnamese enemy aggressors have used the law of the jungle. They sent hundreds of thousands of soldiers to attack and occupy Kampuchea, which they attempted to swallow in a short period of time. However, they cannot achieve their criminal aim because the Kampuchean people have risen and waged a firm struggle against them. During the past nearly 6 years, not only have they been unable to swallow Kampuchea, but the Vietnamese have been attacked and bogged down by the Kampuchean people and the DK national army and guerrillas. The Vietnamese enemy aggressors are at a complete impasse from which they cannot extricate themselves.

Although experiencing such a difficult situation, the Vietnamese are stubborn and refuse to withdraw their troops from Kampuchea in order to resolve the Kampuchean problem through political means in compliance with the UN resolutions and the international community's demands. With the strong backing and support from the Soviet Union, the Vietnamese have sent more troops and weapons in order to intensify their war of aggression in Kampuchea. They have continued their repeated military provocations along the Thai border. The situation in the Thai border region and throughout Southeast Asia has been permanently tense. The Vietnamese have not as yet shown any sign that they want to resolve the Kampuchean problem through political means.

The proposition repeatedly peddled by the Vietnamese for dialogue for peace in the region is only a most tricky diplomatic maneuver aimed at hiding

Vietnam's aggression in Kampuchea and transforming the Kampuchean problem, which has been caused by Vietnamese aggression, into a regional problem or an issue of conflict between the ASEAN countries and the so-called Indochinese countries. The Vietnamese enemy aggressors have performed this tricky maneuver in an attempt to cheat world opinion into halting condemnation of their aggression in Kampuchea and giving up the demands for withdrawal of all their aggressor troops from Kampuchea in compliance with the UN General Assembly resolutions. This maneuver is also aimed at making the international community halt its pressure on the Vietnamese, giving them the opportunity to overcome their defeated situation on the Kampuchean battlefield. When they become stronger and have the upper hand on the battlefield, the Vietnamese enemy aggressors will destroy the Kampuchean resistance forces in order to swallow Kampuchea and set up the Indochina federation. They will advance in accordance with their own aggressive and expansionist strategy and their Soviet bosses' global strategy in the region. Therefore, the Vietnamese will not resolve the Kampuchean problem in conformity with the international community's demands or their tricky promises.

In fact, when he performed his tricky maneuver in Thailand, Indonesia, and Australia at the beginning of March, Hanoi's Foreign Minister Nguyen Co Thach pretended to be very docile. He promised that this year the Vietnamese would not launch any offensive along the Thai border. Shortly after Nguyen Co Thach returned to Hanoi after visiting Bangkok, Vietnamese aggressor troops in Kampuchea savagely and barbarously launched an operation against Kampuchean refugee camps along the Kampuchean-Thai border and violated the Thai border region. The Vietnamese did not succeed in cheating other countries through cajolery; thus, they used force. They have ignored international law and the international community's condemnations. They have made every effort to pressure and threaten Thailand and other ASEAN countries into accepting the conditions to resolve the Kampuchean problem through their maneuvers in order to occupy Kampuchea forever. This is the real aim of the Vietnamese. The Vietnamese have no serious desire to resolve the Kampuchean problem. They have foolishly ignored, rejected, and insulted the ASEAN countries, propositions and the UN General Assembly resolutions passed during the past five sessions that call on them to withdraw unconditionally all of their aggressor troops from Kampuchea and to respect the Kampuchean people's right to determine their own destiny. These ASEAN proposals and UN General Assembly resolutions are the means to resolve the Kampuchean problem correctly, justly, and permanently. The Vietnamese have also rejected and insulted the recent Japanese proposition that would guarantee the reconstruction of Vietnam's economy.

Up to now, the Vietnamese have not wanted to resolve the Kampuchean problem through political means. They have rejected and denounced all propositions that have called on them to withdraw their troops from Kampuchea. Thai Foreign Minister Sitthi Sawetsila told Australian Foreign Minister Hayden in Bangkok that the Vietnamese have no goodwill to resolve the Kampuchean problem through political means. This statement is correct and conforms with reality.

Facing the danger caused by Vietnam's aggression and its arrogant, savage, tricky, and stubborn nature, the international community and in particular

the countries in the region have agreed that it is necessary for them to continue to pressure Vietnam in the political, diplomatic, and economic fields and in other domains. These countries have thought alike that it is necessary to continue to assist and support the Kampuchean people and the CGDK so that they are able to wage more vigorous struggle against the Vietnamese enemy aggressors until they encounter an unbearable load of difficulties and hardship and are obliged to participate in the dialogue to resolve the Kampuchean problem through political means in compliance with the UN General Assembly resolutions and the international community's demands by withdrawing all of their aggressor troops unconditionally from Kampuchea and respecting the Kampuchean people's right to self-determination.

The whole of Southeast Asia cannot enjoy long-lasting peace and stability unless the Vietnamese are pressured into giving up their aggressive and expansionist ambition.

CSO: 4212/59

KAMPUCHEA

VODK REPORTS KHIEU SAMPHAN MESSAGES

Belgium's Tindemans

BK240746 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT  
23 Jul 84

[19 July message from Khieu Samphan, Democratic Kampuchean vice president, to Leo Tindemans, Belgian minister of external affairs, on occasion of Belgium's national day]

(Text) To His Excellency Leo Tindemans, minister of external affairs of the Kingdom of Belgium, Brussels:

Excellency, I am very elated to present my warmest greetings to you on the occasion of Belgium's national day. May Your Excellency enjoy happiness and the Kingdom of Belgium enjoy prosperity.

On this splendid occasion, I would like to express once more my profound thanks to Belgium for its support to the just cause which has been defended by the Kampuchean people and the CGDK for the survival of their nation.

May the relations of friendship and cooperation between our two peoples and countries be developed and steadily strengthened.

With highest regards,

(Dated) Democratic Kampuchea, 19 July 1984

Malaysian Foreign Minister

BK251216 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 24 Jul 84

[14 July congratulatory message from DK Vice President in charge of Foreign Affairs Khieu Samphan to Malaysian Foreign Minister Tengku Ahmad Rithauddeen]

(Text) To His Excellency Tengku Ahmad Rithauddeen, minister of foreign affairs of Malaysia, Kuala Lumpur:

Excellency, I am very glad to learn that you have been appointed to the lofty post of Malaysia's minister of foreign affairs, which you brilliantly held in the 1970's. On this propitious occasion, I would like to extend to you my warmest congratulations and wish you happiness and success in your lofty mission.

I am pleased to recall that you played an important role in reestablishing the bonds of traditional friendship and cooperation between our two countries and peoples which had been temporarily suspended. In particular, all of us still vividly remember your visit to Democratic Kampuchea in 1978. I am confident that your reappointment as the head of Malaysia's diplomacy will certainly further develop and strengthen the traditional friendship and cooperation between our two countries and peoples.

I take this excellent occasion to express to you and, through you, to the Malaysian Government and people the most profound gratitude of the Kampuchean people and CGDK for the vigorous and consistent assistance and support you personally and the Malaysian Government and people have accorded the just and legitimate struggle for national survival of the Kampuchean people and CGDK.

Please, Excellency, accept my highest regards.

Democratic Kampuchea, 14 July 1984.

Egyptian Foreign Minister

BK270522 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2300 GMT 26 Jul 84

[21 July Congratulatory Message from Khieu Samphan, Democratic Kampuchean Vice President in charge of Foreign Affairs to Egyptian Foreign Minister Dr Ahmad 'Ismat 'Abd Al-Majid]

[Text] Your excellency: On the occasion of Egypt's national day, I have the honor and great pleasure to send you warmest congratulations and wishes for good health and success in your noble task. May the Arab Republic of Egypt and the Egyptian people be endowed with prosperity and achieve new successes in building the country as well as in striving to safeguard peace, stability, and security in the Middle East and the world.

I would also like to take this auspicious opportunity to once again express most profound gratitude to the government and people of the Arab Republic of Egypt--an important member of the Arab League and the Islamic Conference Organization--and to your excellency for the precious and firm support for the just cause of the Kampuchean people and the CGDK for the survival of Kampuchean nation.

I am convinced that the relations of friendship and the traditional cooperation, which have long been binding our two countries and peoples in the common ideal for independence, peace, neutrality, and nonalignment will further develop.

Please accept my highest consideration.

Democratic Kampuchea, 21 July 1984

[Signed] Khieu Samphan

Democratic Kampuchean vice president in charge of foreign affairs.

CSO: 4212/59

KAMPUCHEA

BRIEFS

SIHANOUK SEEKING SWEDISH RECOGNITION--Stockholm, 15 Aug (AFP)--Prince Norodom Sihanouk, the Kampuchean resistance leader, will ask for Swedish recognition of his coalition during a visit here which began today, an informed source said here today. The prince heads a coalition of three Kampuchean guerrilla groups fighting the Vietnamese-backed government in Phnom Penh. He arrived from Oslo where Foreign Affairs Minister Svenn Stray had assured him of Norway's support, particularly at the United Nations. Although the prince's four day visit to Sweden is said to be private he is due to meet Prime Minister Olof Palme and Foreign Minister Lennart Bodstroem. The source said he would press for recognition from Sweden, which did not have diplomatic relations with the former Pol Pot regime and has not established relations with the government of Heng Samrin, who took office in 1979. Prince Sihanouk is also expected to ask the Swedish leadership to reduce its economic aid to Vietnam, which will total 365 million krone (43.5 million dollars) for the year 1984/85, the source added. Prince Sihanouk was due to meet ambassadors from the Association of Southeast Asian Nations (ASEAN) today. He should meet Mr Palme and Foreign Affairs Secretary General Pierre Schori tomorrow. [Text] [NCL151738 Paris AFP in English 1646 GMT 15 Aug 84]

SIERRA LEONE'S STEVENS LETTER--Phnom Penh, 30 Jun (SPK)--President Heng Samrin has received a letter from Siaka Stevens, secretary-general of the All People's Congress and president of the Republic of Sierra Leone. The letter among other things says: "Let me assure Your Excellency that the government and people of the Republic of Sierra Leone sympathise with the people of Kampuchea for the suffering they have endured and the great loss of lives and property sustained. Your Excellency's efforts to achieve peace and stability in Kampuchea and the subregion as a whole deserve the support of all peace-loving countries. I agree with Your Excellency's proposals for the establishment of diplomatic relations at the ambassadorial level as this will ensure continuity of contact to consolidate and develop the good relations which already exist between our two governments. Finally, allow me to extend to you, the People's Revolutionary Party of Kampuchea, the government and people of Kampuchea my sincere best wishes for your well-being and prosperity." [Text] [BK301249 Phnom Penh SPK in English 1113 GMT 30 Jun 84]

DEFENSE MINISTRY DISCUSSES EMULATION DRIVE--Phnom Penh, 16 Aug--The Kampuchean Ministry of National Defence has held a conference to review the 1983-84 emulation movement. The conference examined the past emulation movement in the armed forces and unanimously selected the infantry school, the military general school and the logistics school as models. The participants were determined to promote the spirit of emulation in fighting and in strengthening revolutionary forces, thus contributing to national construction and defence. [Text] [BK161520 Phnom Penh SPK in English 1109 GMT 16 Aug 84]

13 'BANDITS' KILLED--In July, combatants of a company in Kompong Cham Province, in cooperation with the local militia force, launched operations to sweep up the Pol Pot, Sihanouk, and Son Sann bandits, who are hiding in jungles to rob people's property. During these operations, our combatants killed 13 bandits on the spot and wounded 7 others. We seized an assortment of seven weapons, a field radio, and a quantity of materiel. This fine result has raised the spirit and vigilance of the army and militia force in Memot District in protecting property and ensuring security for the people at all times. Furthermore, apart from their operations and readiness to fight the bandits, combatants in Memot District have cooperated with people, disseminated the state's lenient policy, and appealed to compatriots in the ranks of Pol Pot and Son Sann to return to the fold. [Text] [BK060838 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Aug 84]

SUCCESS AGAINST 'BANDITS' REPORTED--At the beginning of July, the armed forces of Kompong Thom Province, in close cooperation with the Vietnamese volunteers, launched sweeping operations against the Pol Pot-Sihanouk-Son Sann bandits who have attempted to rob the people. During these operations, we killed 4 bandits, wounded 6, and captured 28 others, and seized a quantity of weapons, including 4 AK's, 2 AR-15's, a pistol, and a B-40. At the same time, the provincial authorities organized courses on the party's clemency policy toward the misled persons who deserted the ranks of Pol Pot, Sihanouk, and Son Sann. During these courses, some repentant persons, such as (Lam Vor), (Ke Nat), and (Sim Mat), exposed the perfidious maneuvers of the bandits and persuaded other misled persons to return to the fold and our revolution. [Text] [BK070636 Phnom Penh Domestic Service in Cambodian 1300 GMT 6 Aug 84]

CSO: 4212/59

## VIENTIANE CITES PRESS CRITICISM OF OLYMPIC GAMES

BK030747 Vientiane Domestic Service in Lao 1100 GMT 2 Aug 84

[Text] According to a TASS report from New York on 31 July, the CHRISTIAN SCIENCE MONITOR newspaper acknowledged that the refusal to participate in the Olympic Games in Los Angeles by the Soviet Union, the GDR, and several other countries has greatly reduced the significance of the Los Angeles games. A sportswriter, [name indistinct], said: I have attended every Olympic Games [words indistinct]. I still remember such Soviet track and field athletes as (Olga Constine), (Valeriy Bostov), (Kadiana Kazantina), (Vasiliy Aleksayev), and other athletes. At the Los Angeles games, I will not see such athletes.

The U.S.A. TODAY newspaper also acknowledged the prominence of these Soviet athletes and noted that the absence of the Soviet team at the games has evidently put a damper on U.S. public interest in the Los Angeles athletic meet. The CBS television network (?complained) about the organizational problems of the games, saying that the accommodations provided for the athletes are too far from one another, and their training site at (Northwood) is over 50 km from Los Angeles.

The NEW YORK TIMES newspaper quoted (Mekgan), a West German swimmer, as saying that the conditions in Moscow and (?Montreal) were excellent because the athletes stayed together. In an interview with the NEW YORK TIMES, an Australian athlete said that bedrooms in Moscow are much more spacious than in Los Angeles. We did not live in cramped space like this. The (?BOSTON) newspaper said that coaches from many countries complained that the opening of the Olympic Games did not give any significance to the games themselves. The newspaper went on to say that the absence of sports teams from socialist countries practically made the games meaningless.

A (?Swedish) daily noted that a routine press assignment cannot be carried out at the Olympics in Los Angeles. It is completely contrary to the situation of the games in Moscow because during the Moscow games, press reporters were allowed to freely meet with track and field athletes. This cannot be done in Los Angeles because preparations for conducting interviews have to be made in advance. An interview can be done only in a small room which resembles a prison cell. The newspaper also noted that it is the first time in history that the games have been held in the United States (?with a commercial touch).

CSO: 4206/155

LAOS

BRIEFS

SOCIALIST LEADERS GREET SOUPHANOUVONG'S BIRTHDAY--Vientiane, 2 Aug (KPL)--  
Leadings of the socialist countries recently sent birthday greetings to Souphanouvong, president of the republic, of the People's Supreme ASsembly, who turned 75 last month. Among those who greeted Souphanouvong were Huynh Tan Phat, president of the Vietnam Fatherland Front, Stanko Todorov, president of the National Assembly of the People's Republic of Bulgaria, Gyula Kallai, president of the Hungarian Patriotic People's Front, and the director of the UNFAO. The well wishers highly evaluated the personal great contribution of the Lao president to the liberation struggle in the country and his present efforts given to the socialist building in Laos. These foreign leaders furthermore praised the Lao president's contributions to the promotion of friendship, and cooperation among nations in view to attain peace and good neighbourly relations in Southeast Asia. [Text] [BK021030 Vientiane KPL in English 0857  
GMT 2 Aug 84]

CSO: 4200/974

VOPM DISCUSSES ROLE OF REVOLUTIONARY PARTY

BK041119 (Clandestine) Voice of the People of Malaysia in Malay 1230 GMT 2 Aug 84

[Article: "Principle of Independence, Freedom, and Self-reliance Must Be Defended"]

[Text] Our party's constitution reaffirms that of independence, freedom, and self-reliance are the foundation for dealing with the revolutionary problems of our country. This principle is based on the fundamental viewpoint of dialectical materialism under which external causes constitute conditions for reforms and internal causes constitute bases for reforms, and the external causes play their role through the internal causes. The essence of the principle is to carry out the revolution in our country by relying on our own strength and assert our guiding principle with our own strength. This has shown that our party has a solid revolutionary endurance in seizing the traditional victory of our country by relying on self-motivation and the strength of the people of our country.

The party principle is basically reflected in various aspects:

Firstly, guiding the revolutionary struggle of our country under the banner of the revolutionary characteristics and laws of our country and opening up its own way independently. Our party, which is carrying out practical revolutionary tasks in our country, has all the conditions and possibilities for profoundly knowing the situation in our country and the real conditions in various fields. We hold that we must correctly conduct an investigation and probe to be able to fully and correctly grasp the political, economic, cultural, educational, military, diplomatic, religious, racial, and other conditions in our country through our own active efforts, combine the actual revolutionary situation in our country with the general truth of Marxism, formulate a concrete war strategy and tactics as well as the path, orientation, and policy of the party relevant to the revolutionary practice of our country independently and freely, be idealistic, and link theory with practice. We are categorically opposed to blindly imitating foreign experiences or conclusions in books without taking the real situation in our own country into account.

Guided by the real situation in our country and changing conditions, our party has announced a new strategic decision to materialize the people's liberation

in Peninsular Malaya and North Kalimantan. It calls for uniting revolutionary forces in Peninsular Malaya and North Kalimantan to jointly overthrow the iron-hand rule of the Kuala Lumpur reactionary regime and establish the Malaysian People's Republic. This has profoundly shown the implementation of the principle of independence, freedom, and self-reliance by our party.

The political and economic conditions of societies in various countries are quite different. The conditions of the class relationship and the ratio of class strengths in various countries are also not the same. Neither are the levels of consciousness and organization in these countries similar. The war strategy and tactics applicable for the revolution in one country are not necessarily applicable to the revolution in another country. The victorious experiences of the revolutions in other countries are not necessarily relevant to the revolution in our country. This being the case, a revolutionary path and war strategy and tactics compatible with the situation and special characteristics of our country must be found and formulated by the proletarian class and revolutionary people of our own country. We may preserve the path as well as the war strategy and tactics provided they are compatible with the real situation in our country and the main interests of the broad masses in our country regardless of whether they have ever been followed or practised by the revolutions of other countries or not. This constitutes an indication of our extremely high sense of responsibility toward the people and revolution in our country. The act of not daring to defend something which has never been practiced in the revolution of another country or which has never been written in books is in principle a manifestation of dogmatism vis-a-vis theoretical concepts and constitutes an indication of not defending the principle of independence, freedom, and self-reliance.

Secondly, pushing ahead the revolution of our country by leaning on the consciousness and strength of the people of our country. The revolutionary struggles of the peoples in various countries are the affairs of the peoples of these countries, and only by enhancing the political consciousness of our own people, forming a gigantic revolutionary front, and forging a formidable revolutionary strength, can the rule of the reactionary regime be overthrown and can the revolution achieve victory. Accordingly, we call for and unswervingly carry out propaganda work, education, and a painful and deliberate organization extensively among the people of various nationalities, and we are prepared to exert our own strength in ripening sooner the subjective conditions of the revolution. It is impractical and also dangerous to think that other people can assist us in achieving liberation by expediting their armies, or that it is unnecessary to conduct propaganda among the masses, and organize and mobilize the masses painfully.

Even though other people might help liberate our country, we would still have inadequate strength and capabilities to develop and consolidate the liberation if we did not want to make solid efforts. Only by relying primarily on the strength of the party and people of our country and with international assistance free of any conditions, can the victory of the revolution by our people be sooner achieved. How could two groups of our rebel forces, each from the 2nd region and the 8th regiment, maintain and develop the revolutionary strength

under extremely difficult circumstances--the repeated attacks of the Malaysian-Thai reactionaries as well as the harrassment and destruction repeatedly perpetrated by Chin Peng and his ilk--after they had freed themselves from the grip of the Chin Peng conspirators? How can we create a new situation and push ahead the revolution of our country under circumstances apparently facing deadlock? The answer is nothing but to rely on our own consciousness and strength and that of the masses.

Thirdly, to safeguard the principle of freedom and independence, equality, mutual respect, and noninterference in other parties' affairs in forging relations with fraternal parties, to firmly oppose any outside interference and influence. Communist parties in various countries throughout the world, be they large or small, having a long history or not, already in power or still struggling, must all have equal status. No party should be greater than the others. All parties must respect each other, learn from each other, assist each other, and march forward together. Under no circumstances can large parties which have a long history or are already in power issue instructions and force their own views on small parties which have no long-standing history or are still struggling for power. The situation and problems faced by communist parties in various countries are different. Hence, each communist party is free to find a solution to the problems of the country's revolution. No party can force another party to follow its line, but it must instead respect another country's party and revolutionary people in their efforts to seek a revolutionary way which is suitable to their country's conditions. As a result of the peculiar conditions of each party, differences of opinion over certain problems are normal. Should such a situation arise, any party must solve the problem in a candid manner and through the exchange of ideas with a view to strengthening mutual understanding. It should also be done through friendly consultation. If some problems cannot be brought out in the open for the time being, each person can keep his opinion to himself and wait for the solution from the facts. No party can give comments based on its own practical experience or existing guideline to another party. Neither can it criticize or censure another party because this action constitutes interference in another party's affairs. The international communist movement over past decades have proved such officious action is erroneous and dangerous as well as definitely contradictory to the Marxist principles and the true sense of internationalism. During the 1950's when the LCY independently pursued its own line of socialist development based on the concrete conditions of the country, some parties of other countries severely opposed and criticized it. Our country's communists also joined them in blindly criticizing the party headed by Tito, labeling it modern revisionism intent on reviving capitalism. But the fact is that the Yugoslav party and state have never allowed themselves fall onto the lap of the U.S. imperialists and instead have continuously made progress along the path of socialist economic development, which in turn has earned the respects of several countries in the world. In contrast, the parties which criticized and isolated Yugoslavia eventually had no choice but to change their own views. Our country's communists, who blindly followed other people's views, also in the long run proved to be wrong on this matter. We must learn from many similar cases, safeguard the principle of freedom and independence and mutual respect, resolutely renounce actions which have repeatedly proved

to be wrong, and never interfere in fraternal parties' internal affairs. It is true that we firmly oppose any outside interference and influence.

Chin Peng and his clique are opportunistic elements who do not firmly hold to the principles of freedom, independence, and self-reliance. When other people launched massive opposition to the Great Proletarian Cultural Revolution in China, they did not want to miss the action and immediately climbed on the bandwagon. They formed the so-called International Red Marcher Front with a view to creating riots, putting up posters attacking the Chinese leaders, and opposing anybody who was opposed by Lin Biao and the Gang of Four. They also blatantly ignored the principles governing relations among the fraternal communist parties and interfered in other parties' internal affairs, which amounted to a grave insult to our country's party and revolutionary people.

Rejecting responsibility for having pursued an erroneous line and taking a holier-than-thou attitude, they said in a statement issued on 25 April 1970 that the second erroneous party line, which lasted from 1954 to 1961, was caused by other people.

Whether the statement was right or wrong, those words alone proved that they had already completely deviated from the principles of independence, freedom, and self-reliance. If their assumption that the erroneous party line was caused by other people were correct, it is they that must assume full responsibility because in their capacity as senior party leaders they must accept the blame. They had the gall to refuse any responsibility and instead threw it onto other people's shoulders. The statements they issued said in the effect that it was not necessary for them to assume any amount of responsibility. They even bragged that they had made great contributions in averting and correcting the mistake. Shame on them! Their action indicates that they have completely lost the character of a communist.

To safeguard the principles of independence, freedom, and self-reliance does not mean to disparage the significance and necessity of international assistance. Neither does it mean rejecting all international assistance, which is necessary if there are no strings attached. Our guideline is to give first priority to self-reliance and second priority to external assistance. The liberation of the proletariat is an international effort--the proletarian class and revolutionary people of various countries must support and assist each other. Only by so doing can the reactionary governments of the ruling class in various countries as well as their international reactionary conspiracy be effectively crushed and the realization of communism throughout the world be brought about earlier. Comrade Mao Zedong once said that whenever imperialism prevails, a true people's revolution in any country will never attain victory without assistance in various forms from the international revolutionary forces. Even if a victory is attained, it is impossible to consolidate it without international revolutionary assistance.

Our country's revolution, which is part of the global proletarian revolution, needs assistance from the proletarian class and people of various countries. We are of the opinion that we must fight for all international assistance and

fully take advantage of various external conditions which are beneficial to advancing the cause of our country's revolution. Such assistance, however, should not have any strings attached which would lower the dignity and interests of our nation. It should instead benefit us, and enhance our nation's dignity and ability to be self-reliant. We oppose the bad attitude of flattering other people because we want assistance from them.

To safeguard the principles of independence, freedom, and self-reliance does not mean to practice a policy of isolationism. We believe that people of various countries have glorious and valuable experiences which are worth studying for our revolutionary struggle. We must competently learn from other parties' lessons and experiences which are suitable to the conditions of our country and then make use of it in guiding our revolutionary struggle and accelerating the revolutionary march toward victory in our country. We must also learn from their failures so as to avoid treading a tortuous path and committing a similar mistake.

To safeguard the principles of independence, freedom, and self-reliance does not mean that if a party commits a glaring mistake, other fraternal parties cannot hold any suitable exchange of views with that party in an intensive and friendly manner. This is not only in line with the principles of independence, freedom, and self-reliance, but also shows more clearly the revolutionary style of the communist and workers parties. However, no matter how grave a mistake is, it can only be corrected by that particular party, while the lessons from the mistake should be drawn by the party itself. Other parties cannot and do not deserve to interfere blatantly. Only by so doing can we effectively solve any problem and promote more friendly relations among fraternal parties. This is beneficial for advancing the cause of the international communist movement.

To safeguard the principles of independence, freedom, and self-reliance, we must lean on our own diligence. We must make every effort to upgrade our ability to understand and to change the world and continuously speed up the pace toward the perfection and maturity of the revolution's subjective conditions. This means that we must continuously rely on our own resources to establish a solid material foundation. If not, the expressing "to safeguard the principles of independence, freedom, and self-reliance" will amount to useless nonsense.

CSO: 4213/261

OPM 'MINISTER FOR DEFENSE' ARRESTED

Port Moresby PAPUA NEW GUINEA POST COURIER in English 20 Jul 84 p 3

[Text] A self-styled "minister for defence" of the OPM, Lawrence Charles Hyder, was arrested by police yesterday morning at Swain village, West Sepik.

Arrested with him were two of his men, John Wallo (captain) and Saroan Abami (major) and also bodyguard to Myder.

A fourth person, John Warwar, was also apprehended. He is reported to have been a refugee at the Blackwater Creek camp.

The commander of the special border police operations, Assistant Commissioner Leo Dion, said Myder and his two men were caught following a tip off from Aitape.

Two CID men and two armed riot police squads were flown by helicopter to Aitape from Vanimo to make the arrests.

Mr Dion said the three men will appear in the Aitape District Court today.

He said police regarded them as illegal immigrants.

Police have charged them under the Immigration Act and they are in custody.

Meanwhile, the United States Secretary of State, Mr George Shultz, and ASEAN Foreign Affairs Ministers are concerned about border violations by Indonesian troops, according to the Foreign Affairs Minister, Mr Namaliu.

He said yesterday he would decide whether the matter would be taken to the United Nations after a full report was compiled.

Mr Namaliu returned this week from the Association of South East Asian Nations' ministerial meeting in Jakarta.

He said the ASEAN ministers had a "deep and serious concern" for the stability of the region, while Mr Shultz asked for more information regarding the incursions.

Asked if he had made specific requests for Mr Shultz to take the matter up at a higher level, Mr Namaliu said "no specific requests were made."

He said he was happy with his talks with ASEAN leaders because "more people are now aware of the problem."

He said his discussion with the commander of the Indonesian Armed Forces, General Benny Moerdani, and the Minister for Home Affairs, Mr Surpadjo Roestam, and the Transmigration Minister, Mr Martono, were good.

Gen Moedarni had assured him there would not be any more incursions.

Mr Namaliu said he also raised in Jakarta PNG's desire to participate in some of ASEAN's technical and functional committees to enable PNG to work "more closely with ASEAN in a practical way."

CSO: 4200/956

PHILIPPINES

BANCO FILIPINO CASE PROMPTS DISENCHANTMENT WITH FERNANDEZ

Manila PHILIPPINES DAILY EXPRESS in English 27 Jul 84 p 18

[Article by George T. Nerves: "Bankers Say 'It's His Only Option'--Should Fernandez Resign?"]

[Text] CERTAIN bankers, consumers and labor groups and members of the Batasan Pambansa yesterday said they believed Central Bank Gov. Jose B. Fernandez Jr. was a "letdown" by botching up the Banco Filipino case.

They said the CB failed to reverse the public's waning confidence in the banking system, which is the principal job of the CB governor.

"There seems to be no recourse for Fernandez but to quit his post because he has lost the credibility which he enjoyed during his early tenure in office," bankers said.

In the Batasan, several assemblymen have urged an investigation of the CB and the banking system to find out whether the CB has been partial in dealing with banks, and whether it has judiciously monitored banks, and has adequate early warning systems to protect the interest of depositors.

Meanwhile, certain consumers and labor groups--the Consumer Foundation of the Phils. and the NUBE (National Union of Bank Employes), were reportedly considering a formal demand for Fernandez's immediate resignation for bringing to near bankruptcy the country's largest savings bank to the detriment of the banking system and anxiety to small depositors.

THE president of a big domestic commercial bank said there were indications the Banco Filipino case has developed into a clash of personalities to the detriment of millions of small depositors.

In a recent meeting with bankers, Fernandez was advised against being inflexible or taking an "entrenched position" on the BF case because it could adversely affect other banks, he said.

"The bankers suggested that the CB discuss the problem with BF officials, to which Fernandez replied that Tomas Aguirre was 'very proud' to even come to me," the bank president said.

Another banker, who owns thrift banks outside of Metro Manila, said it was not normal business practice to endorse in blank shares or holdings without knowing the buyers or the terms of the sale, as demanded by the CB in the case of BF's major shareholders.

BANKERS also told the Express, they believed Fernandez violated the law on the secrecy of bank deposits when he disclosed the loans granted to Banco Filipino and the transactions involving the issuance of manager's checks.

"This is contrary to Fernandez's earlier pronouncements and directive to CB staff warning them under pain of criminal or administrative sanctions from divulging or disclosing information concerning individual banks," they noted.

They likewise pointed out that the CB head violated the CB charter when the CB failed to provide assistance to banks weakened by heavy deposit withdrawals caused by factors beyond their control.

BF officials have claimed that Fernandez' recent statements and actions fueled the run on the bank's deposits that ultimately forced it to declare a "bank holiday" last Monday.

CSO: 4200/952

MUSLIM LEADER HITS 'PAMPERING' OF FORMER MNLF REBELS

Manila BULLETIN TODAY in English 28 Jul 84 pp 1, 8

[Text]

A Muslim leader urged the government yesterday to reassess its policy in the treatment of former Moro National Liberation Front (MNLF) rebel returnees who, he said, have been pampered by government doleouts and special accommodations.

Speaker Macabangkit B. Lanto of autonomous Region XII Batasan Pam-pook (regional assembly), told the United Nations Walkers Club yesterday that many of the former MNLF commanders were granted logging concessions, sugar quota allocations, and the privilege of importing sardines and exporting bangus and prawn fry.

He revealed that these MNLF commanders have become millionaires overnight and yet the peace and order situation in the two autonomous regions has remained unstable.

Many of these former rebels have become "spoiled" because of the

government's generosity, and are demanding more concessions, Lanto said.

Lanto questioned the wisdom of the government policy of granting former MNLF commanders special privileges and "not granting the same to Muslims and Christians who are loyal and working hand-in-hand peacefully with the government."

Lanto warned that the generosity of the government to the former MNLF rebel commanders "is inevitably becoming divisive."

Lanto also said that there is an urgent need to strengthen the regional autonomous government by giving it more power to "attain a self-reliant posture."

He said that the people in the region have looked up to the autonomous government as the nation's arm that can attend to their needs. (Roy C. Sinfuego)

CSO: 4200/952

DAILY REPORTS NPA COUNTERPARTS TO KKK, SARILING SIKAP

Manila BULLETIN TODAY in English 28 Jul 84 p 28

[Article by Jose De Vera]

[Text]

The New People's Army terrorists that set up an "invisible government," occupied and controlled for over two years sitios and barangays in the common border of Abra, Mountain Province and Kalinga-Apayao in the Cordilleras, have set up their own KKK and Sariling Sikap projects.

The ~~area~~ within the tri-boundary called "The RP's Golden Triangle" has been converted into a huge production base where the main money-producing crop is marijuana, with assorted root crops and vegetables and upland rice planted in scattered mini-rice terraces coming next, in that order.

This information surfaced the other day in interviews by the Bulletin with military brigade and battalion

commanders whose forces moved in, established footholds, and ended the NPA-invisible government last July 6.

The information was confirmed further by barangay leaders and councilmen as well as "Pangat leaders" (the elders of ethnic minorities who are the real authorities of the community, over and above the barangay captains and councilmen).

The barangay officials were merely the alter ego of their tribal leaders and elders. Actually, the "pangat" leaders called all the shots.

Thus far, the military has stumbled, on the Tingalayan (Kalinga-Apayao) area alone, some 25 hectares of marijuana plantations at mountainsides. Out of this 25 hectares, a bat-

lion of Rangers with operatives of the Narcotics Command (Narcom) under Col. Ramon Montaño and his deputy, Col. E. Dumla, have started uprooting marijuana plants and, seedlings planted in an eight-hectare area.

As estimated by Col. Manuel Ribo, commander of the 41st Infantry Brigade providing security for the entire area, it would take more than three months for the battalion and Narcom soldiers to destroy the plants found in a 10-hectare plantation opposite two stiff mountainsides.

Ribo said the NPA terrorists virtually succeeded in exploiting the natives in barangays Bugnay, Buscalan, Butbut, Basao and Dananao in the town of Tingalayan.

CSO: 4200/952

LIBERAL PARTY DECIDES TO RUN 1987 PRESIDENTIAL CANDIDATE

Manila BULLETIN TODAY in English 29 Jul 84 pp 1, 4

[Text]

The Liberal Party announced yesterday its decision to field a presidential candidate in the 1987 elections as its "major contribution to the full restoration of democracy in our country."

Former President Diosdado Macapagal, LP titular head, announced this at the formal opening of the LP headquarters on Taft ave. and Gen. Malvar st., Manila.

Macapagal said former Sen. Jovito Salonga, LP president and prospective standard-bearer, will return from the United States this year to personally lead the campaign.

The LP leader said the opposition party will also take part in the 1986 local elections.

Macapagal alerted all LP leaders and members to heed Salonga's call for the "most massive and intensive reorganization and revitalization in the party's history, both in quality of leadership and manpower, as well as in ideology programs."

The LP program of government being drafted by Salonga, he said, is about to be completed. Charged in court with subversion in 1982, Salonga went to the US for medical check-up and treatment with the court's permission. When his passport expired, Salonga tried renewing it, but the Philippine consulate had reportedly refused to give him a new one.

Macapagal stressed that as the LP fulfills its political election role, it will not turn its back on those in-the-cause-oriented movements "with which the LP is proud to be associated on principles, as well as in concerted action."

Meanwhile, Members of Parliament Gonzalo (Lito) Puyat II of Manila and Fermín Z. Caram Jr. of Iloilo called for restoration of credibility and institution of basic reforms so the country can survive its critical economic and social problems.

Puyat spoke before the Metro Manila Jaycees in Mandaluyong, while Caram appeared before the monthly meeting of the Rotary Club of Iloilo.

Both said it is important for the government to regain the respect and confidence of the people and the world. Puyat said it will not help to label every dissenter a communist and the government should not drive the idealistic youth to the hills by refusing to dialogue with them "in candor and sincerity."

Caram said that not a single government technocrat has had personal experience in practical business. "All they have are theories, diplomas, and book claims from Harvard or Wharton in the United States," he said.

Meanwhile, the Coalition of Organizations for the Restoration of Democracy (CORD) vowed to continue taking to the streets "the issues and demands of our people" in more militant mass actions.

"We will never be intimidated or cowed by government authorities who attack peaceful and legitimate demonstrators from behind," said Jose Castro Jr., CORD secretary-general.

CSO: 4200/952

NASUTRA STARTS PAYMENTS TO SUGAR PLANTERS

Manila BULLETIN TODAY in English 27 Jul 84 pp 1, 10

[Text]

The National Sugar Trading Corp. (Nasutra) has started to pay out some P229.1 million, in export price differential to sugar producers all over the country since a week ago, Ambassador Roberto S. Benedicto, Nasutra president announced yesterday.

The price differential is for sugar produced and liquidated from March 5 to March 25 of crop year 1983-1984 at the rate of P103.11 per picul, payable starting July 16, Benedicto said.

Another differential payment of P308.94 million is scheduled on July 30 for export sugar produced and liquidated from March 26 to April 22 of the same crop year.

Benedicto said these

differentials are made possible by the long-term contracts entered into by the Nasutra covering half of the country's export sugar production. The contracts, which expire at year-end, fetched an average price of about 23 US cents per pound for Philippine sugar. The spot price in the world market is now 4.5 US cents.

Sugar planters from Luzon will benefit to the extent of 68.01 million of this price differential while those from the Visayas and Mindanao will receive 161.08 million of their produce liquidated by Nasutra March 5-25.

Sugar producers may inquire about their differentials from branches of the Republic Planters Bank in all sugar producing areas, the Nasutra said.

CSO: 4200/952

NASUTRA PRICE FIXING AUTHORITY UPHELD

Manila BULLETIN TODAY in English 27 Jul 84 p 21

[Text]

Quezon city Judge Ortiz has rejected a suit filed by a sugar planter against the Philippine Sugar Commission (Philsucom) and the National Sugar Trading Corporation (NASUTRA), ruling that the price-fixing authority of the Philsucom was in line with the state's exercise of police power.

He said that the sugar industry, being affected with public interest, has to be regulated by the state, unless such act is shown to be arbitrary or oppressive. In this case, the judge said the state did not act arbitrarily when it delegated the power of regulating the sugar industry to Philsucom.

Moreover, the court said, plaintiff Hortencia L. Starke already lost ownership over her sugar produce when she mortgaged this to Philippine National Bank.

Ownership had already been vested in the two agencies, the court ruled, at the time Nasutra sold her export sugar, together with those of the other sugar planters.

This holds true, the court said, even if later

on defendants paid back to the plaintiff 50 percent of the profit they gained from the sale of her sugar abroad.

Such payment, said the court, was only "a matter of liberal government policy" done to encourage production and assist the planters in meeting exalation costs.

Contrary to the plaintiff's claim of pre-judicial acts by the defendant agencies, the court said Nasutra and Philsucom "are actually performing a salutary function of stabilizing the sugar industry for the promotion of public interest."

Starke filed the suit to seek a refund from Philsucom and Nasutra of the deduction from the proceeds of her export sugar which the two agencies used to pay loans incurred by Nasutra. Starke also sought moral and exemplary damages.

During the trial of the case, it was disclosed that Starke, a sugar planter in Kabankalan, Negros Occidental, mortgaged her crops for 1979-81 to the Philippine National Bank in Bacolod. The PNB, in turn, sold

Starke's sugar to the two agencies.

The two agencies bought Starke's sugar at P90 per picul (63.25 kilos) for the crop year 1979-80, and P115 per picul for 1980-81. For the first year, Starke produced 11,529.85 piculs of sugar, while for the second year, the produce was 13,785.90 piculs.

On a latter sale made by the two agencies abroad, sugar was priced at P180 per picul for 1979-80 and P230 per picul for the following year. Out of the proceeds from the sale, Philsucom and Nasutra gave back to Starke half of the profits they made: P45 for every picul of the sugar produce for the first year, and P57.50 for the second year.

What was left in the difference in the export price and the price paid to the plaintiff which amounted to almost P1.5 million, was applied by the two agencies to a P2.7 billion loan incurred by Nasutra in previous years when the government paid the sugar planters more for their sugar than the price it fetched at the world market at the time.

ZOBEL DEFENDS TECHNOCRATS' MANAGEMENT

Manila BULLETIN TODAY in English 27 Jul 84 p 21

[Text]

Enrique Zobel, chairman of Bank of the Philippine Islands, expressed the view yesterday that the professionals who "professionally" managed to ruin the Philippine economy were, technically speaking, not to blame.

In a speech before the seventh membership meeting of the Philippine Institute of Certified Public Accountants at the Hotel Intercontinental, Zobel defended the technocrats by saying "they just provided the staff support and feasibility studies for it."

He added: "For this they received no more than a fixed wage. For them, they may be the worst part of it; they sold themselves and their country cheap."

Zobel continued: "The anger, however, has served a good pur-

pose. It has slowed our decline by causing the reversal of certain policies."

The BPI chairman expressed the opinion that if "more people had joined the small chorus of critical voices in the past, negative criticism alone might have arrested our decline in time and reversed the process without the kind of hardship we are facing now. However, at the stage we are in, I admit that carping alone won't conjure away the crisis. I'll add, however, that we will need it to keep it from getting worse."

Prescriptions for relieving the country of the present economic crisis, according to him, have a common denominator: all demand an extraordinary amount of sacrifice on

the part of each and every Filipino over a long period of time.

In this regard, Zobel said: "I am not sure we are prepared to make the sacrifice and, more important, to persevere over the time period required."

The question now is, Zobel pointed out, whether Filipinos can still work hard, act quickly and be creative when the return on their efforts and capital will only be a tiny fraction of what they must put in. He countered that only time will tell and that these qualities, in order to appear in hard times, would require the presence of other qualities — integrity, courage, thrift — which Filipinos had no occasion to develop during the good times which are now gone forever.

CSO: 4200/952

VILLAGERS SAY NPA 'SUPERVISED' MARIJUANA CULTIVATION

Manila BULLETIN TODAY in English 27 Jul 84 pp 1, 11

[Article by Jose De Vera]

[Text]

BUGNAY, Tinglayan, Kalinga-Apayao — For over two years, the New People's Army controlled and ran their "invisible government" in sitios and barangays at the boundary of Abra, Mountain Province, and Kalinga-Apayao.

However, last July 6, the reign of the Communist Party of the Philippines-NPA appeared to have come to an end when several military battalions moved in and established a foothold in the area, so-called "RP's Golden Triangle," after a 10-day running gunbattle where 53 NPAs were killed and many more were wounded.

This state of affairs in the region was confirmed by military field commanders and barangay captains and officials in separate interviews.

The Bulletin covered the uprooting and burning of part of 31 million full-grown marijuana plants and seedlings found in a 10-hectare plantation on the hillsides of Bugnay and Bituangan.

Yesterday, Army Rangers and Narcotics Command agents reported their discovery of a 25-hectare marijuana plantation. The plantation, the military said, was only 10 per cent of the marijuana farm allegedly being cultivated by the CPP-NPA in the area.

Interviewed were Brig. Gen. Thomas Manlongat, Region II PC-INP commander; Col. Ramon Montaño, Narcom chief; and Col. Manuel Ribo, commander of the 41st Infantry (Army) Brigade, one of three brigade commanders securing the area.

Bugnay barangay councilmen led by barangay captain Emilio Alunday, elders, and housewives confirmed the on-and-off presence in the place of renegade priest Conrado Balweg before the military operation.

The residents said the rebels furnished them with marijuana seeds and supervised the planting and harvesting of marijuana.

The barangay officials and residents said they had no choice but to support the "invisible government" of the CPP-NPA for they have nobody to run

to and "have not seen nor felt the presence of government for over two years" since 1982.

Ribo has submitted a 12-page report to Gen. Fabian C. Ver, Armed Forces chief of staff, on why the people have been supporting the "invisible government."

Ribo and Manlongat specified barangays Bugnay, Buccalan, Butbut, and Baago as having been under rebel control since mid-1982.

The 40-kilometer stretch of road from Tinglayan to Bontoc, capital town of Mountain Province was fully under rebel control, Ribo said.

He said rebels have set up "checkpoints" where they exacted fees from private and public utility vehicles for use of the road that ends up in Baguio City.

Rebels reportedly get 30 percent of the natives' income from sale of their products.

Manlongat, Ribo, and Montaño said the farmers are also given cash commissions from the sale of marijuana to "established" buyers from Manila, Angeles City, and other urban centers.

AGRAVA ASSURES PICKETERS OF BOARD'S INTEGRITY

Rally Delegation Received

Manila PHILIPPINES DAILY EXPRESS in English 30 Jul 84 pp 1, 6

[Text]

**DOZENS OF WOMEN** protesters picketed yesterday the house of Corazon Agrava, head of a panel investigating the Aquino assassination, and told her the nation wants "the whole truth" behind the murder.

In white, embroidered shorts, the 68-year-old retired justice received a delegation in her car port, offered them fruit juices and biscuits, and said, teary-eyed: "I assure you we will come up with facts and circumstances as set out by the evidence. We are not afraid."

The demonstrators, including several society matrons, carried placards reading, "No Whitewash" and "You are Accountable to the Filipino People." One woman held up a sign, "We're Watching You." \* \* \*

**THE DEMONSTRATION** was the first of a series of pickets planned by members of the Alliance of Women for Action Towards Reconciliation (AWARE) at the residences of the five members of the board.

The board has finished eight months of public hearings and is preparing its final report.

**THE PROTESTORS** gave Mrs. Agrava a letter expressing hope board members "will maintain their independence against possible pressures from the government, the military, and even the opposition."

Their spokeswoman, Vicky Gachitorena, told Mrs. Agrava she cannot honestly say the group trusts the board. Trust, she said, is earned. "We believe that with the help of god... God will touch your hearts and you will have the integrity to come up with the whole truth for the nation that is waiting," Mrs. Gachitorena said.

"We will do our duty," Mrs. Agrava said. "We have to base our report on evidence, not conjecture." She said people should realize the board was not formed until two months after the assassination when evidence already "has been obliterated."

"Time is running short, tempers are running short... there is so much violence in the streets," another protester said. \* \* \*

**MRS. AGRAVA** said there are people who do not believe in the board but there are also others who have approached her even in bookshops and told her they have faith in what the board is doing.

Mrs. Agrava said the job scares her. She recalled no one believed in Jesus Christ until He was crucified. "Tears welled up in her eyes. "I am prepared to accept the same responsibility if that's what it takes," she said, adding, "I no longer have anything to look forward to."

Agrava Assurance 'Appropriate'

Manila PHILIPPINES DAILY EXPRESS in English 31 Jul 84 p 4

[Editorial: "Agrava's Assurance"]

[Text] THERE WOULD be no angry confrontation and violence if all government officials would react to protests and demonstrations by the same manner as retired Justice Corazon Agrava did the other day when a group of women protesters picketed her house.

The protesters urged the board to maintain its independence against possible pressures from the government, the military and even the opposition. Instead of arguing with the protesters, Mrs. Agrava invited them for snacks and a dialogue and assured them that the board will base its findings on evidence, not on conjecture.

The fact-finding board looking into the Aquino assassination, of which Justice Agrava is the chairman, now finds itself the object of protesters and picketers. This is understandable. The board has just completed its hearings and is now in the process of preparing its findings. And everybody is anxiously interested in the findings of the board.

On Aug. 21, it will be the first anniversary of the assassination of Aquino, and hotheads and agitators may take advantage of the situation to generate angry demonstrations and even violence. There is a general feeling that the series of demonstrations in the streets of Metro Manila is part of the overall plan building up to Aug. 21. In effect, the current demonstrations are being staged to generate following and sympathy for the big one.

Many people are, therefore, expecting the Agrava Board to come up with its findings before Aug. 21. But there are volumes and volumes of evidence and testimonies which the board must scrutinize before it can make its findings. As Chairman Agrava said, the board will come up with facts and circumstances as set out by the evidence.

This was the most appropriate assurance that Justice Agrava could have given. The public is expecting the board to come up with an independent and conclusive report. Anything less than that could bring about more serious consequences.

To stress the independence and sincerity of the board, Chairman Agrava recalled that no one believed Jesus Christ until He was crucified. "I am prepared to accept the same responsibility if that's what it takes. I no longer have anything to look forward to," she said. Need we say more?

CSO: 4200/952

ULEMAS 'DEPLORE' CATHOLIC SUPPORT FOR 'GOVERNMENT OF STREETS'

Manila BULLETIN TODAY in English 27 Jul 84 pp 1, 11

[Text]

Muslim religious leaders presented the Bata-sang Pambanan a resolution yesterday, deplored the "open support" and "encouragement" given by the Catholic church to the "government of the streets."

The resolution, unanimously adopted by the Ulama Council of the Philippines on July 25, was presented by a three-man delegation led by its chairman, Shiek Ahmad Bashier, to Batasan Speaker Nicanor S. Yñiguez.

The delegation was accompanied by Lanao del Norte Gov. Ali Dimaporo. The two other members of the delegation were Salipada Tamano, secretary-general of the council, and

Seaduddin A. Aluya.

Religious leaders in Mindanao and other parts of the country called on the Catholic church hierarchy "to keep and maintain at all costs inviolable and immaculate the constitutional mandate of separation of church and state."

The resolution also reminded that these institutions should not meddle with the affair of the other, but should be ready to lend a helping hand in times of crisis "to quell disorders, maintain peace and love as God has ordained."

Bashier said he was happy that President Marcos and the speaker were working "very hard to give the Filipino people a fruitful life."

Bashier also posed a challenge to Jaime Cardinal Sin to a debate "to find out who really is for peace."

CSO: 4200/952

PHILIPPINES

BRIEFS

**EDITORIAL NOTES IGLESIA GROWTH--MANY** Filipinos do not know that in the span of 70 years Iglesia ni Kristo, which was founded in this country, has spread to Australia, the United States, Canada, South America, Africa, the Middle East, and Europe, including Italy and Spain. This information was released by Iglesia ni Kristo on the occasion of the dedication of its Central Temple on Don Mariano Marcos Avenue, Quezon City. It affirms the dynamism and sense of mission reflected by the numerous cathedrals and chapels in our cities and countryside. The Church's Executive Minister, Bro. Erano G. Manalo, attributes the success to God's love and grace. [Text] [Manila BULLETIN TODAY in English 27 Jul 84 p 6]

**IMEE ENDORSED FOR PM--The Maharlika Movement** through its spokesman and national vice chairman, Pierre Angelo Llamas, is spearheading a move for the nomination of Assemblywoman Mrs. Imee Marcos-Manotoc for the position of prime minister. The move materialized when it was reliably reported that some KBL and opposition assemblymen rejected the reappointment of Prime Minister Cesar A. Virata. The nomination of Manotoc and her ultimate election by the Bataan as prime minister will catapult the youth to a state of responsibility and dignity. Manotoc has shown her dedication and love of country by the many positions she had held in the past. The Maharlika Movement feels that both the KBL and the opposition parties will endorse the election of Manotoc as prime minister. [Text] [Manila BULLETIN TODAY in English 29 Jul 84 p 32]

**MNLF SURRENDERERS KILLED--PAGADIAN CITY--**Two members of the Moro National Liberation Front (MNLF) who were on their way to surrender to the police were killed last Friday by suspected MNLF members in barangay Lower Tigbalabag, Tungawan town, Zamboanga del Sur. [Text] [Manila BULLETIN TODAY in English 31 Jul 84 p 32]

**SWAP ARRANGEMENT WITH ROK--SEOUL**, July 28--South Korea and the Philippines agreed yesterday to swap iron, steel, energy expertise, the energy and resources ministry here said. The agreement came at the second session of the Philippines-Korea joint committee for mineral resources cooperation. During the two-day meeting, South Korea said it would extend technical assistance for iron and steel production while the Philippines is to provide know-how in geothermal energy and open pit mining technology. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 29 Jul 84 p 22]

THAILAND

REACTION TO ROUNDUP OF INTELLECTUALS, CPT ACTIVISTS

Faculty, Student Leaders

Bangkok MATICHON in Thai 16 Jul 84 pp 1, 16

[Article: "Deputy Prime Minister Says That the Government Is Not Harassing the People: Scholars Frightened, Urge That Evidence On Arrest of Pricha Be Revealed"]

[Excerpt] Students Say That Arrest of Pricha and Chatcharin Amounts to Meddling In the Affairs of Scholars

At 1100 hours on 15 July at the Thammasat University Student Association, Mr Anucha Hongthong, the president of the Thammasat University Student Association, Mr Montri Songphaisan, the president of the Chulalongkorn University Students' Club Administrative Organization, and Miss Premchit Aphonmaeklong, the vice president for external affairs of the Chulalongkorn University Students' Club Administrative Organization, issued a joint statement concerning the arrest of Mr Pricha Piemphongsan, a professor of economics at Chulalongkorn University, and Mr Chatcharin Chaiyawat, an advisor to MATUPHUM, on charges of supporting a communist organization.

Concerning the arrest of this scholar and this reporter, Mr Montri said that the people should have a broad knowledge and the newspapers should be free to gather data in order to report the news to the people. The arrest of Mr Chatcharin has affected freedoms in general. In making the arrest, [officials] did not present any clear evidence showing that those arrested had engaged in communist activities.

Mr Anucha said that in arresting Mr Pricha, the officials did not present any evidence showing that he had engaged in communist activities. But after that, the director-general of the Police Department said that Mr Pricha had provided support to the communists. General Anut Kamlangk, the supreme commander and RTA CINC, said that Mr Pricha had just been taken for questioning and that he had not been charged with any wrongdoing.

"These reports, which are conflicting and vague, affect people in scholarly circles, particularly instructors who teach economics. At the university level, the instructors must have adequate intellectual freedom so that they can teach and use their knowledge to benefit society. If those who hold power interfere in scholarly affairs, this will affect sociological studies in the country," said the president of the Thammasat University Student Association.

Mr Anucha also said that the Thammasat and Chulalongkorn university student organizations had held a joint conference. They feel that this action has harmed the democratic atmosphere in the country, which has been improving. But the conservative powerholders are destroying this. The student organizations intend to take action on this. At present, they are in contact with other educational institutions such as Ramkhamhaeng University.

#### **The Charges Are Vague**

The president of the Thammasat University Student Association said that the two student organizations have called on officials to take quick action. If they really do have evidence as they claim, they can take action quickly. As for the rights and freedoms of the press, the government should issue a clear statement on this. If such things happen frequently, this will have an effect on the democratic atmosphere. The government should think carefully about this.

Mr Montri added that when they made the arrest, officials should have allowed those arrested to have visitors and stand bail. Because the charges are vague, and it isn't clear what evidence they have. The only thing is that those arrested hold different views [from those of officials].

#### **The Democratic Federation Conference, Opposition Activities**

A reporter asked what action students would take on this. Mr Anucha said that students from these two institutions want to send an open letter to the faculty councils of Chulalongkorn and Thammasat universities. They want to send a letter to the Sociology Association of Thailand in the case of Mr Pricha and to the Press Association of Thailand in the case of Mr Chatcharin in order to help take action on this matter. Besides that, they will distribute letters to students in general. They also intend to post material on boards to inform students of what is happening. They will analyze what was behind these arrests. They also intend to hold a debate at Chulalongkorn University on the evening of 16 July and at Thammasat University on the evening of 17 July.

Mr Anucha said that besides this, on 16 July, the Thammasat and Chulalongkorn university student organizations will contact and hold an urgent meeting with the Student Federation of Thailand, which is composed of nine institutions, in order to stipulate measures for taking action. Also, recommendations will be drafted for presentation to the government.

Miss Premchit said that a number of students from Chulalongkorn University went to visit Mr Pricha. But it was difficult to visit him. They wrote letters, which had to be sent through officials. And it took officials more than 30 minutes to check his reply even though his letter was very short. However, there have been reports that on 15 July, relatives who visited Mr Pricha said that he is no longer being allowed to write replies. Even the food sent to him is being checked carefully.

#### An Open Letter of Appeal

At the same time, the Chulalongkorn and Thammasat university student organizations sent an open letter asking the government to take swift action on the following three matters: 1. They asked that an investigation be conducted as quickly as possible. If the charges are vague and there is no evidence, they should be released. 2. They should be allowed to have visitors or stand bail since they are not criminals. They have just been charged with holding different views. 3. The government should take a clear position on the freedom and security of scholars, reporters, intellectuals and honest people in general. The democratic atmosphere must be ensured. No more such vague charges or arrests should be made.

Besides this, they are asking the faculty councils at all institutions, the scholarly organizations, the reporters' and lawyers' associations and students and people [in general] to take a clear position on this.

#### University Professors Are Afraid That They Will Be Caught In the Net

Mr Montri Chenwitkan, the former president of the National Faculty Council and presently a member of the Faculty of Political Science at Thammasat University, talked with reporters about the arrest of Mr Pricha Piemphongsan. He said that this must be divided into two parts. Personally, if the police have evidence showing that he was involved in communist activities, they must proceed in accord with the law. But if he was arrested just because he taught courses dealing with social and political topics, this is a big problem. Because the police arrested him without informing him clearly of the charges against him. This may make other instructors who teach these subjects afraid of being arrested if they have to analyze society or discuss socialist political theory or Marxism. This is something worth thinking about.

"In the university library, there are books on these topics. Instructors who teach these subjects must have books on these theories. The government should issue a clear statement on this arrest to relieve the fears of those who teach such subjects," said Mr Montri. He repeated that those who teach such subjects, particularly those at the doctoral level, must be well-informed on such matters. Regardless of the administration of a country, this is unavoidable. In the United States, providing instruction in such subjects is not viewed as a crime, unless people try to incite others to rise up and fight.

## Conduct an Investigation Quickly; Learn the Results In 14 Days

Concerning this matter, Mr Sukhum Nuansakun, the rector of Ramkhamhaeng University, said that he did not know what evidence officials had that had led them to arrest these two men on communist charges. But he feels that great care should be taken in arresting these two men without being able to show clear evidence of their involvement in communist activities. Because this will greatly affect the feelings of people in general. Those who know Mr Pricha will probably not believe the charge.

Mr Sukhum said that if the police have clear evidence, they should file charges in court. As for arresting them and holding them in jail for up to 480 days in accord with the Anti-Communist Act, that is unacceptable. And it will be difficult to make people understand this. Officials should make a clear statement as to their guilt within 14 days. It will not be good if the matter is allowed to drag on longer than that.

"The police should conduct an investigation to find out exactly where meetings were held, what was discussed and who took part. Otherwise, innocent people, particularly those who participated in debates with Mr Pricha, will grow apprehensive. At present, people are very afraid," said Mr Sukhum. In practice now, how sincere is Policy 66/1980, he said.

Mr Kraisak Chuhawan, a member of the Faculty of Sociology at Kasetsat University, talked with MATICHON that same evening at his home on Ratchakhruek Lane. He said that at present, there are rumors to the effect that he will be arrested or asked to appear for questioning just like Mr Pricha. Even though things are still normal for him, there have been reports that Major General Chatchai Chunhawan, his father, has been informed that he [Mr Kraisak] will be called in for questioning. But this is not definite.

"My father told me that an official had come and told him that I would be called in and questioned about Mr Pricha. My father did not say whether the official who contacted him was a Special Branch officer or not. But he said that there was nothing to worry about. But I don't like the phrase 'nothing to worry about,'" said Mr Kraisak.

When asked how he felt about this, Mr Kraisak said that he didn't think that there was anything to worry about since if anything were going to happen, it would probably have happened already. This Monday or this week, officials will probably question him about his dealings with Mr Pricha.

"I and Mr Pricha are close friends. But that does not mean that we always agree with each other. But I certainly don't think that he or Mr Chatcharin should have been arrested. As for what was behind these arrests, everyone knows that the "lions and tigers" are fighting each other. We are just 'dirt' to them. What reason is there to worry?" said Mr Kraisak. He explained that the conflict within the military is one reason behind these arrests.

The reporter asked how other professors close to him feel. Mr Kraisak said that most of his friends are disturbed since major events have happened before in Thailand. But this is the first time that Mr Pricha, who is a professor, has been arrested and so, hopefully, this won't become violent as happened before. However, he is scheduled to participate in a debate on 16 July at Chulalongkorn University, and he will attend as usual.

"I have already prepared my speech. It will be like my other speeches. If you want to know what it says, you will have to attend. But it is definitely within the limits of the law," said Mr Kraisak good-humoredly.

Concerning the student demonstrations about this, Mr Phichai Rattakun, the deputy prime minister, said that he doesn't know all the facts yet since he just returned from a trip to the provinces to observe K.S.C. activities. But he knows both Mr Pricha and Mr Chatcharin very well. He does not believe that either of these men are leftists or communists. But what is going on below the surface is another matter.

The students have said that in discussing the arrests of these two men, the people responsible have made conflicting statements. Concerning this, Mr Phichai said that if this is the case, he doesn't understand it either. The people are very confused. Everybody has a different reason. We will probably have to wait a few days to see what happens.

The reporter also asked him how he felt about the students demonstrating. The deputy prime minister held his breath a moment and then said that he would like to make an appeal. At present, the country is quite stable and so he does not want anyone to use violence. The present government will treat everyone fairly. The government does not want to use dictatorial power to threaten the people. The police claim to have evidence and so he hopes that people will wait for a few days to see what happens.

The reporter asked how he felt about students holding more debates. Mr Phichai said that students have the right to hold debates. But they should not use violence.

"The present government will ensure that people are treated fairly; it does not want to harass anyone," said Mr Phichai again.

#### The Prasoet Sapsunthon Group Protests

At the Royal Hotel that same afternoon, Mr Amat Khamthetthong, the head of the coordinating section of the Democratic Movement, stated the position of the Democratic Movement concerning the government's announcement that it will use the Anti-Communist Act and arrest those who violate the law, with 21 people already arrested. He said that this action goes against democratic principles and is contrary to Prime Ministerial Order 66/1980. This will retard progress in developing a democratic administration.

At the same time, he called on the government to repeal the Anti-Communist Act and asked student groups and other mass organizations to discuss this act to see if it is hindering the progress of the country. If it is, they should support the Democratic Movement in appealing to the government to repeal this act.

The reporter asked what the Democratic Movement intends to do about the 21 people who have been arrested. Mr Amat said that the Democratic Movement is not in a position to make a decision. The guilt or innocence of these people is up to the courts to decide in accord with what is just. The Democratic Movement does not have any clear evidence concerning this. But it is felt that such actions are contrary to Policy 66/1980, which was issued by the prime minister and which has achieved results.

The reporter asked why the government needs to use the Anti-Communist Act to arrest people now. Mr Amat said that from analyzing things, it is felt that this was recommended by certain people or groups in the government that have no use for the People's Democratic Development Movement, which is growing stronger and stronger.

#### Students' Statements

Bangkok MATICHON in Thai 15 Jul 84 pp 1 16

[Article: "Students From Chulalongkorn, Thammasat and Ramkhamhaeng Universities Hold Debate, Issue Statement. Students Ask For the Truth. Arrest of Professor and Reporter Contrary to Policy 66/1980"]

[Excerpt] Mr Anucha Hongthong, the president of the Thammasat University Student Association, said that "this statement will concern the arrest of a professor and reporter. It will analyze the problems and conflicts within the military, which is one of the factors behind these arrests. It will also comment on Policy 66/1980 and state the position of the students on this matter."

The president of the Thammasat University Student Association said that the arrest of this professor and reporter resulted from a conflict within the military, which will also result in further arrests. This is because there are disputes among the powerholders. Unfortunately, this is also affecting innocent people, including scholars and reporters. These arrests are contrary to Policy 66/1980, which the government and military have always touted as a national policy that will give political and economic freedom to people at all levels and allow people to express their ideas in a peaceful manner.

Mr Anucha said that these arrests have in effect erased this policy and show the insincerity behind this policy. If [the government] wants to grant democratic freedoms, the press must be free to express ideas to inform the people. In particular, scholars must have freedom so that they can increase [their] knowledge. This will benefit students, who

must have a broad knowledge, part of which is derived from their instructors. If students do not have a broad knowledge, this will affect those who go out to work for society. On 18 July, Mr Sawet will take food to Mr Pricha, his son, at the Bang Khen Police Academy since that is Mr Pricha's birthday. Students from the two universities will participate in the celebration and visit him, too.

Mrs Anchali Piemphongsan, the wife of Mr Pricha, said that on 14 July, she and the parents of Mr Pricha went to visit him at the Bang Khen Prison. Mr Pricha told them that he was well and that he would like his friends to visit him.

"At present, everything is all right. Mr Pricha said that everything is fine now since he has various materials and bedding," said Mrs Anchali.

Human Rights Lawyer Thongbai

Bangkok MATICHON In Thai 23 Jul 84 pp 4, 12

[Interview with Mr Thongbai Thongpao, a lawyer who handles cases in which people have been charged with engaging in communist activities, a legal advisor to the Press Association and the president of the Writers' Association of Thailand: "The Government Says One Thing, Does Another"; date and place not specified]

[Text] [Question] What is your view on the latest arrest of people suspected of engaging in communist activities and two supporters?

[Answer] Concerning the arrest of suspected communists and the arrest of Professor Pricha Piemphongsan and Mr Chatcharin Chaiyawat, as a person whose work is concerned with the arrest of suspected communists, I feel that this is an ordinary matter since there are anti-communist laws in effect and these laws stipulate what actions constitute a crime and what the penalties are.

When someone breaks the law, it is only natural that the police, whose job it is to uphold the law, will arrest the people involved. The present case may be special in certain ways. That is, some people say--and it may be true--that there are disputes. They say that since the opposition has attacked the government, the government has taken this action in order to divert people's attention. This may be true. We can look at things from various angles. Some believe that the government has to purchase F-16 aircraft. But others are against this. However, if something poses a threat to the country, it is necessary to purchase them. The matter can be viewed this way.

As a lawyer, I look at things from a single standpoint since we have laws that state what is illegal and that set penalties. And so the police have to make arrests. If they did not make arrests, they would be guilty of neglecting their duties.

But one problem is that the government promulgated Order 66/1980 to have those who have come out of the jungle participate in developing the country. This is what some claim. This is a policy to defeat the communists. But the commander of the Special Branch Division has given a good response to this. His response is that this order does not forbid [the police] from making arrests. I have constantly said that the police cannot be stopped from making arrests as long as there are laws making such activities a crime. The only way around this would be for the government to issue an order or promulgate a law granting amnesty for such activities. Then, they would not be guilty.

[Question] People have frequently asked officials about the fact that some groups have openly stated that they are communists but no action has been taken against them. What is your view on this?

[Answer] I have discussed this before and noted that this is a mistake on the part of officials. There are laws making this a crime and so if some are arrested, all must be arrested. You can't single out certain people. This is a mistake on the part of officials, who should look at themselves to see if they really are upholders of the law. One group has announced that it is communist. These people have held meetings, issued statements and published the newspaper MAHACHON in order to propagate their ideas. This is clear, but officials have done nothing and have not made any arrests. It's curious why they are so selective. Where is the so-called equality of individuals according to the constitution?

But I don't want them to make arrests. They don't have to make any arrests at all. This will be fair to all. There must be equality for all. If this group is not arrested, then that group should not be arrested. If certain people are arrested, then all must be arrested. This action clearly shows that officials are being selective. If the people are not part of their group, they arrest them; if they are, they don't arrest them. This is destroying the laws and ruining the respect that people have for officials.

[Question] Some people have observed that officials disagreed about making these arrests. What is your view on this?

[Answer] I don't look at things that deeply. I don't know. There are people who say that there is a conflict between the hawks and the doves. I don't know how true this is. Looking at this, we have to mention the past when communist charges were raised in order to arrest or destroy the opposition. This happened frequently. Many people who were not communists were arrested on such charges. Examples are the director of the Potektung Foundation and Chao Khun Phimontham. I have said that this is dangerous. The Anti-Communist Act has broad powers.

[Question] Concerning the action taken against suspects today as compared with that taken in the past, what are things like?

[Answer] I have visited Mr Chonlathira and Mr Chatcharin. Actually, the things done in Thailand are not at all strange. When people are arrested, it is common to deny them visitors and bail. As for whether this is a violation of their human rights, that is another matter. People who have been arrested have the right to have visitors. They are just suspects; they have not been convicted. They cannot be treated like criminals.

But when the Thai police make an arrest, they prohibit the person from receiving visitors and deny him bail. Relatives and friends are not allowed to visit the suspect. I think that this is wrong. But we have done this for so long that it has become a custom. When a person is arrested abroad, the police immediately inform him of the charges and tell him that he can make a statement if he wishes. They tell him that he has the right to talk with a lawyer. But we don't do things that way here. When a person is arrested, he is prohibited from receiving visitors and is not allowed to stand bail. Suspects are not allowed to have visitors even though they should have the right to see their relatives.

I am strongly opposed to denying these people the right to receive visitors or post bail. From the very beginning, the police have said that they have monitored the activities of these people for a long time. They say that they have much evidence. And so why are they afraid to let these people have visitors? This would not harm anything. I was able to see them because I am a lawyer. But I was allowed to see them for only 20 minutes. That is not enough time to learn the facts.

[Question] Many have said that the statements made by the officials carry much weight and are believable.

[Answer] This is one of the disadvantages suffered by those who have been arrested or by suspects. Because when they are arrested, the first action taken is to prevent them from having visitors or posting bail. Thus, the police are the only ones who can say anything; the suspects don't have the right to say anything. The suspects' lawyers and relatives don't have the right to say anything. No one can investigate. It's just the police who say that they have evidence, that they have this and that, and that they have followed the case for a long time. They constantly say that the suspects did this and that. Actually, this was their intention from the very beginning. They want people to believe that the defendants are guilty. But the other side never has a chance to respond since it is never given an opportunity to say anything. And so we don't know whether the charges are true or not.

If we listen just to the police, we won't know what the truth is since the police talk in generalities and are not clear. They don't show people the evidence. And so people are suspicious. I don't think that people believe them entirely. People want to see the evidence. They want to know that the evidence is.

For example, it is claimed that they were in contact with the IRA, that is, the Irish liberation movement. This is a right-wing movement, not a communist movement. The same is true for the Greens Party in Germany. The Greens Party is an anti-war group and not a communist organization. The police are trying to make people believe that those arrested here were in contact with the IRA and the Greens Party. They want people to think that these people are terrorists.

[Question] They may be looking at the violent methods used by these groups.

[Answer] The methods are the same. What has to be considered is what is meant by the word "contact." I spoke at Chulalongkorn University that day. Someone asked whether General Athit had broken the law by going to China and talking with Chinese communist leaders. I said that I could not answer that because we don't know what this contact meant. Was contact made in order to carry out acts of terror or what? It is not easy to make contact.

[Question] Officials may feel that if they reveal their evidence, this may affect the case in court.

[Answer] If it is evidence, there is nothing wrong with revealing it. This would not affect the court case. Facts will remain facts. The truth can be revealed at any time and will still be the truth. However, if the evidence is false, it will definitely be exposed as false after it is shown to people. But facts, that is, the truth will last forever. If evidence is revealed today, it will still be valid in court if it is factual material.

[Question] What effect have these arrests had on scholars, newspapermen and other groups?

[Answer] Actually, I am still neutral about this. They did not arrest Professor Pricha because he is a scholar. Police Major General Kasem Saengmit and other police officials have said that they did not arrest him for teaching. They have said that Professor Pricha was arrested for giving aid or providing support [to the communists]. They have filed two charges against Professor Pricha and Mr Chatcharin. Article 9 charges them with giving support to a communist organization. This carries a penalty of 5-10 years in prison. Concerning giving support, the law states that this can consist of providing a place to stay or hold meetings, urging others to join the organization, causing others to lose their religious faith, engaging in other activities that are harmful to the traditions and customs of Thailand or urging others to place their faith in this ideology or engaging in activities that cause others to lose their faith in the religion, customs and traditions of Thailand.

If you say something that causes a person to lose faith in the religion, that is tantamount to helping the communists. If you do something that causes people to lose their respect for the country's customs and traditions, that is considered to be giving aid to the communists. This is very broad.

Another paragraph says that if you give food, money, weapons or equipment or provide other types of aid such as revealing government secrets, you are guilty of aiding the communists.

As for the second charge, Article 12 prohibits people from holding seminars or teaching others about or popularizing communism or spreading ideas favorable to communism either through speech or written documents. However, the law makes an exception for officials or instructors subordinate to the ministries and departments whose duty is to provide instruction. If an instructor teaches [about communism] in the classroom, he is not guilty of a crime.

These arrests will definitely have an effect on scholars, reporters and others. Professors are afraid, as several have said in interviews. Because when the police arrested Professor Pricha, they confiscated books and other materials from his house. Those who are teaching now are afraid that they, too, will be arrested. Thus, they are afraid to teach these subjects.

The same is true for Mr Chatcharin. He worked as a reporter whose job was to report the news. He interviewed people, reported this and was arrested. This will affect the freedom of the press and the freedom of the people. Because the duty of the press is to report factual information to the people.

If people are arrested like this, reporters won't dare to report the news to the people. And this will be tantamount to closing the "eyes and ears" of the people and blocking the growth of the nation's "intellect." This will limit the people's knowledge concerning what is really happening in their country and society. They are the masters of the country and should be given a chance.

[Question] What do you think about the activities of the various power groups in these arrests?

[Answer] I think that this is a natural use of their power. The government has issued Policy 66/1980 and called on all factions to help develop the country. Others, however, have acted contrary to the government's policy. People have been arrested and charged with being communists. People wonder what is going on. There is a conflict. The

police are to be pitied. That is the first thing. Second, the facts behind their arrest were not disclosed clearly. And so people want to ask what is going on.

Students and reporters are carrying on limited activities because they want to know why things are like this. They want to know why people have been arrested after it was announced that they could return. They want to know why people have been arrested without any evidence or only murky evidence. Thus, it would be good if the government would clear up this matter and clearly show what evidence it has. Students, professors and others are voicing opposition since they want to see justice in the country. I don't think that anyone views the government in a bad light for making the arrests. But they want to know what the government is doing. It says one thing but does another. This is what they think. They doubt that there is enough evidence and so they wonder why the arrests were made.

As for making arrests and conducting an investigation and then, if no crime was committed, releasing the suspects, that is completely wrong. That is, if you want to arrest someone, you have to have evidence before you arrest them. You cannot arrest them and then look for evidence. Saying that you will release them if the investigation doesn't turn up any evidence of wrongdoing means that you intend to arrest them first and then look for evidence. This is wrong. You have to think of the trouble this will cause these people and how much time they will lose in jail.

Another reason why people are demonstrating is that the police have a long history of making arrests like this. According to Article 18, they have the power to detain a person for 480 days before filing charges. The police are very sluggish. Before the case reaches the court, the suspect has been imprisoned for 480 days. It might be thought that hundreds of witnesses have been questioned. But in court, only a dozen or so are questioned. Usually, there are three or four villagers; the rest of the witnesses are policemen. Why does it take over a year to question nine or ten witnesses?

During the time of Field Marshal Phibun and Police General Pha Siyanon, investigations were conducted within the time limit set by the criminal law, that is, 91 days. Charges were filed within this period. Today, the police have made progress, they have more education and they have modern equipment and computers. And so why does it take them 480 days to conduct an investigation? They say that cases are "put on hold." But those arrested have families and so this causes much trouble for them. People are asking that the investigations be carried out more quickly and that people be treated more fairly since the police have a history of arresting people and treating them roughly.

[Question] Concerning the arrest of Dr Pricha and Mr Chatcharin and the arrest of Mr Phirun's group, people view these as two separate cases. Phiruns' group is engaged in activities and did not really surrender.

[Answer] The students and instructors who are demonstrating are not against all the arrests. They were directly affected by the arrest of Dr Pricha and Mr Chatcharin. As for Mr Phirun, they have said little about him. What is worth noting is that the same charges have been filed against all of them.

What people object to is that what is done is contrary to the stated policy. There is a conflict here. I would like to say that the government has made things very difficult for those who have to carry out the work. Because their policy is to allow the communists to return without being punished. But the anti-communist law is still in effect, and it states what is a crime and sets penalties. But Prem's policy is not to arrest those who return.

When Prem leaves the government, the new prime minister might change the policy. Or Prem may change his mind and decide to arrest these people. And he could do so because these people have not been granted amnesty. These people have no guarantee that they will not be arrested if they surrender and turn in their weapons. These people have no real legal protection. Because this policy is just a promise that is worthless in court. The court won't pay any attention to this. The court's position is, how can you cite a policy when there are laws in effect?

This is why I have said that the best thing would be to repeal the Anti-Communist Act. Also, a law granting amnesty for these activities must be promulgated just as Field Marshal Phibun did in 1957 and just as General Kriangsak did for the students who took part in the events of 6 October 1976. Only in this way will there be real guarantees. These people will never be able to sleep as long as this law is in effect. They could be arrested at any time during the 20-year statute of limitations.

Professor Concerned for Academic Freedom

Bangkok MATICHON in Thai 16 Jul 84 p 3

[Interview with Mr Chatthip Natsupha, a member of the Faculty of Economics at Chulalongkorn University and president of the Political Economics Group; date and place not specified]

[Text] [Question] When did you learn of the arrest of Professor Pricha Piemphongsan and the reporter? And what do the other professors in the Political Economics Group think about this?

[Answer] It was on a weekend. We did not hear any news of this. And then on Monday when school started, we were startled by this news. We never imagined that someone like Professor Pricha would be arrested on such serious charges.

[Question] How did Professor Pricha become involved in the activities of this group?

[Answer] Professor Pricha is an important member of this group. He is particularly interested in comparative socialism and in seeing what the different forms of socialism are like. He has visited various places such as China, the Soviet Union and Vietnam in order to compare the types of socialism that have taken shape in various places and to determine the strengths and weaknesses. He wants to build a good theory and determine what is the best form of socialism. He has said that the present forms are not good. He wants to find the best form. From my point of view, he is a rather idealistic person. He teaches this subject using a comparative economic system.

[Question] Has Professor Pricha written any textbooks or books concerning his research?

[Answer] Yes, he has. His latest work concerns differences and human problems in a socialist system. He considered the Soviet system and the Soviet party system. He completed this book. The cover shows a picture of a dove sitting on a gun muzzle. I read this book very carefully. He does not like communism or the communist party. He feels that this communist party is too strict and that it is the dictator of the Soviet Union.

In the final chapter of his book, he talks about the Thai [communist] party, too. His criticism of the CPT is similar. That is, he feels that it is too rigid and strict. Thus, I feel that his scholarly view and even his view on social systems can be characterized by the words "democratic socialism" or "humanitarian socialism."

Whenever we hold a seminar on comparative socialism, we rely on Professor Pricha to give a talk. He has given many talks on China, the Soviet Union and Vietnam. He speaks about the various ideologies. And he has visited all these countries. He does not take a pro-Chinese or pro-Soviet position. He compares things. He has been to Hungary and East Europe. In this respect, he is not dogmatic. But he prefers democratic socialism, a type that involves peaceful cultural change.

If anyone thinks that Professor Pricha favors a dictatorial-type communism, they should read his book "Khwam Plaekyaek Lao Panha Manutsayatham Nai Sangkham Niyom" [Differences and Human Problems In Socialism]. He wrote this on his own initiative without pressure from anyone. I think that this reflects what kind of person he is.

[Question] Considering the qualities of a professor such as Professor Pricha, as one who is close to him, do you think that [the charges] could be true?

[Answer] I think that Professor Pricha is a person who has many friends. Many people come to see him and ask questions. I don't think that Professor Pricha wants Thailand to have a communist system. I can state that categorically. But some of his friends may have visited him and asked him to hold a seminar. I think that that is going a little too far. I don't know. It's just that people with such interests probably have many friends. For example, people who fled after the events of 6 October 1976 come to visit him. I think that there is a big difference between chatting with people who come to see you and holding seminars.

[Question] From what other instructors have said, it isn't clear what they think about this. Are they afraid or bored of the matter?

[Answer] Yes.... That is, we don't know what the limits are concerning what we can and cannot do. People who study this topic must be very careful. You have to be careful if you analyze such things. I agree with what Professor Kraisak Chunhawan said. There is no place in Thai society for this. Even though some people have looked for a way out and done so peacefully and openly, they have to be very careful and always have to worry about being arrested.

In the past, there were laws prohibiting people from teaching economic ideology in Thailand. Before the 1932 change of administration, there was a criminal law that prohibited people from teaching economic ideology. At that time, Phraya Suriyanuwat wrote a book entitled "Sapphasat" [Wealth]. He wrote this in 1911. King Rama VI prohibited the dissemination of this book. Later on, the government forbid people from writing such books. This is thought to be the first economic book written in Thailand. Thiennawan was imprisoned for a long time. And his books were confiscated. This happened a long time ago, that is, in 1911. Now in 1984, people have the same fears. The degree of fear may not be the same, but the fear is the same. That is, we don't know when we will be arrested. We don't know. I think that these things may add up and so when some minor matter occurs, people may decide to hold a meeting.

From the standpoint of a scholar, freedom to gather basic evidence and data is very important. But there are still many problems concerning this. For example, when we do research, we are told that the matter is classified secret even though it took place 20 years ago. Take the National Archives, for example. Some documents have been sent from the ministries, bureaus and departments but others have not. It is still very difficult to get access to people who can provide data. And Thais are rather reluctant to give interviews or provide data. In my view, from the standpoint of scholarship, our society is still a closed society. From the standpoint of education and knowledge, we are trying to find the truth. Our goal is to find the truth; we do not seek power. But even though we are interested only in the truth, we must be very careful. And it is difficult to get at the facts.

[Question] You have said that you do not want to teach if the atmosphere remains like this.

[Answer] If you teach these subjects, I think you have to be careful. I teach economic ideology, economic theory and comparative economic institutions and systems. They probably won't arrest me since I just teach these subjects without advocating these things. But if you teach these things, you have to be especially careful. You can't be sure. You are watched more closely than those who teach other subjects. This is how I view the matter. And now Professor Pricha, who teaches these subjects, has been arrested. As instructors, why do we have to feel like this? This is tantamount to forcing us to censure ourselves.

[Question] Does this mean that from now on, you will have to be more careful about what you teach?

[Answer] Definitely. In both teaching and doing research on these topics. These things form a structure and affect power and economic interests. We would not be arrested for teaching these things once or for writing a single article. But if all the things that we have taught and written are added together and we are viewed as being leftists and if something critical then happens.... That is, those who choose the path of political economics have a tough time earning a living. It's better to teach English or statistics.

Another thing is that when we go to teach in the localities, provide training seminars for instructors or hold seminars in the localities, we have even more problems than in Bangkok. Because in the localities, the military and others are there. For example, at present, there is much interest in the history of local areas. But some people are suspicious about this and think that local history concerns separatism or something of this sort. They don't think building local traditions will help unite the country when each person has an equal place in society as a Thai.

When I go out to teach, people warn me that the ISOC [Internal Security Operations Command] is listening and to be careful. They tell me not to say too much. Yes, this problem is even greater in the localities.

I have discussed things in general. The matter involving Professor Pricha is just one instance that gives us a clear indication of the atmosphere. But this atmosphere does exist.

Editorial: Government 'Broadmindedness' Needed

Bangkok ATHIT KHLET LAP in thai 21-27 Jul 84 p 3

[Editorial: "The Problem Involving Dr Pricha and Mr Chatcharin Cannot Be Separated From 66/1980"]

[Text] At present, there are widespread and seemingly endless demonstrations by various groups over the arrest of Dr Pricha Piemphongsan and Mr Chatcharin Chaiyawat on charges of supporting a communist organization. Also, during debates, it is often said that these two suspects are "victims of the conflict and political game at higher levels." General Prem Tinsulanon, the prime minister, has denied that there is anything behind this. He stressed that there should not be any problem and that everything will be done in accord with the evidence. If the evidence is weak, they will be released immediately.

Concerning this interview with General Prem Tinsulanon, the man who signed Prime Ministerial Order 66/1980, if what he said is true and is not just an attempt to pacify people or get them to stop the demonstrations, this will help relieve the apprehensions of the people, who are suspicious about the arrest of these men. And what should help turn General Prem's words into reality is his emphatic statement that "I want to keep the goodwill of all sides." The words of General Prem are like a real hope.

In the wake of the arrest of Dr Pricha and Mr Chatcharin, if the situation is judged in a broad manner, the government cannot deny that people have begun to question and have doubts about Order 66/1980 on an unprecedented scale. Also, if things continue like this, the prestige of Order 66/1980 will decline greatly at a rapid rate. And if that happens, it will be difficult to deny that 66/1980 is just a temporary tool to defeat the communists and is not a long-term and grand policy.

In saying this, we are not trying to use Order 66/1980 as a factor to protest these arrests. It would be a terrible mistake for the government to become careless or deviate from Order 66/1980. Because even now, government leaders such as General Prem Tinsulanon and military and internal security leaders such as General Athit Kamlangk can still use Order 66/1980 to comfort the people. At the same time, if this problem is separated totally from Order 66/1980 for the sole purpose of gaining an advantage in choosing a course of action, in the end the bad effects and disintegration will fall back on the government.

The government should find a graceful way to solve this problem, that is the arrest of Dr Pricha and Mr Chatcharin. At present, the appeals being made by the students and people are not too strident. The students and people are just calling on the government to be broadminded and see the importance of the people's basic democratic rights. They are asking the government to show efficiency by handing this case as quickly as possible. Because both the director-general of the Police Department and the commander of the Special Branch Division have said that they have much clear evidence. Thus, it isn't necessary to "delay" things anymore. If the government realizes the importance of this and does things in accord with Policy 66/1980 as it once did, it should not be difficult for things to develop in a good way.

Pricha Piemphongsan Interviewed

Bangkok ATHIT KHLET LAP in Thai 21-27 Jul 84 pp 12-16

[Interview with Dr Pricha Piemphongsan a few days before he was arrested; place not specified]

[Text] Dr Pricha Piemphongsan was interviewed by a KHLET LAP reporter just a few days before he was arrested. At that time, everything seemed normal. He showed no alarm at the stories circulating at that time. The conversation that follows reflects his views on various matters ranging from politics to ways of acting in accord with his beliefs.

[Question] Before the arrest of the 16 suspected communists, there were reports in the newspapers that high-ranking communists held a meeting at a house and that it may have been your house. Is that true?

[Answer] I don't know whether they mentioned my house or my name or not. From what I have heard, their report was based on data obtained from the military and police. These reports were written in such a way as to make people believe that these things took place at my house.

[Question] How do you feel about such reports?

[Answer] I am not surprised at all.

[Question] After these stories were printed, did anyone come ask you about this?

[Answer] To date, no one has asked me about this.

[Question] Why do you think this accusation was leveled against you?

[Answer] In response to your question, I will say that they probably think that various groups of people come to my house and talk with me. That is probably the right answer to this question.

[Question] People frequently come to see you and so that has made them think that, is that right?

[Answer] That is quite common.

[Question] Do you consider yourself to be a pure scholar or what?

[Answer] "Pure" is not the right word. "Pure" has a variety of meanings. This is a mix. In my view, the words "pure scholar" mean that I have definite ideals, ideals that are shared by the majority of the people and that are for change. Whether or not this is what they mean by "pure" I don't know.

[Question] Some people feel that you have played a part in the activities of the democratic leaders. What seems strange is that when the 16 suspects were arrested, you did not become alarmed. Or is it because you have "pure" ideas?"

[Answer] First of all, I am struggling peacefully in order to hit the targets and bring about social change. This matter is very clear. I never went into the jungle or took up arms. I have never cooperated with the Communist Party of Thailand. The Special Branch Division, police and military know this.

[Question] Does this mean that you are not afraid because you still consider yourself to be a scholar?

[Answer] Yes. I am still a scholar.

[Question] You are not an armed fighter as some people think?

[Answer] When I am asked who I am, I do not become alarmed. And the reason is that I have not joined any organization. I have not joined the CPY or any political party. I am not a member of any secret or underground organization. I do not belong to any organization. I struggle alone. But I still have hope.

[Question] The only things that you use are ideas, is that right?

[Answer] I use ideas only.

[Question] This means that you won't participate in demonstrations or subordinate yourself to some faction?

[Answer] As you know, I have never participated in demonstrations. The only demonstrations I have participated in are the celebrations along the banks of the Chao Phraya River.

[Question] In your view, what is the present state of the CPT?

[Answer] There are many groups and many people who are trying to analyze the present state of the CPT to determine whether it is collapsing or whether it will recover. I don't consider this to be a very important question. The important question is whether having such an organization is in accord with Thai society at the present time.

I am not really interested in whether the CPT is collapsing or whether it has concluded its historical tasks. This is not very important. The important thing is that in society, there must be a special organization--it could be a political party, a government or military organization or some special organization--that can deal with the crisis in Thai society. We have to find out whether or not the CPT can deal with the social crisis. That is the important question.

[Question] What do you mean by "special organization" and is the CPT a special organization in this sense?

[Answer] Based on the analyses that I have made, I have constantly said that what we need at present is a lawful organization that carries on activities independently and naturally and that was established by various power groups.

[Question] Do you mean in accord with the nature of society and the problems as necessary?

[Answer] I think that very little attention is given to this in Thai society. The only things given attention are social development, the development of the slums and rural development. This is not enough to change the entire social system.

[Question] You don't think that the CPT could be a representative of this organization?

[Answer] Recently, Mr Phirun said that he could not be the representative of the various power groups. This was a very honest analysis.

[Question] Since it is felt that this organization is not in harmony with the situation, it seems only natural that there should be a movement.

[Answer] There is no danger to society. To be more clear, the CPT today poses no danger to Thai society. Because Thai society is strong enough to handle all forms of change, including urban uprisings, rural encirclement and the three-zones strategy. Whatever happens, Thai society can handle it.

[Question] Blocking the present organizations could lead to the natural formation of a new organization even more frightening than those existing now. Do you think that this is a possibility?

[Answer] Initially, I don't think this would happen naturally. It might happen because certain people or groups feel that there should be such an organization. But later on, in the second phase, natural development will take place. The only question is what to do to bring about the first phase.

[Question] As for the conflicts that have arisen among the groups that hold to Policy 66/1980, how should this policy be interpreted so that it is in accord with the present situation?

[Answer] The interpretation of the secretary-general of the National Security Council is that there will be peace only when the CPT dissolves its armed forces. Then it can wage a struggle in the cities. But others disagree, saying that urban struggle must come first; only then can the armed forces in the rural areas be dissolved.

[Question] Can you go into this more deeply?

[Answer] If members of the CPT feel that they can discuss their communist and socialist ideas in the large cities without being threatened, imprisoned or killed, this path will be open.

[Question] Does that mean that [an armed struggle] will subside?

[Answer] When such [peaceful] activities can be engaged in, the armed struggle won't be necessary. If we can engage in such activities, why do we have to use weapons? But because it has not been possible to engage in such activities, it has been necessary to wage an armed struggle to make the state powerholders see that there are still armed forces to apply pressure.

[Question] Would you repeat what you think Policy 66/1980 should be like?

[Answer] A resolute and all-round social reform. And it should provide social guarantees. It should guarantee freedom to all power groups regardless of their views and regardless of whether they are communist or not. I don't think that whether someone is communist or not is important. That doesn't make you dangerous. But is it dangerous to be a reactionary?

[Question] What would an all-round social reform consist of?

[Answer] An ideological reform, a reform of the welfare system and a social reform.

[Question] With all power groups in society having a chance to express [their views] without posing a danger?

[Answer] Yes. Because at present, all social power groups are concerned with taking action to develop and reform things in Thai society. Let them go ahead.

[Question] Do you think that there can be peaceful change in Thailand?

[Answer] I believe that things should be done peacefully. But it is difficult to tell if things will be done that way.

[Question] Have you ever felt that your efforts were being construed in a political way.

[Answer] For the past 10 years. Ever since I lived in the south. Before there was a Fourth Army Area. At that time it was the Fifth Army Circle.

[Question] In short, Policy 66/1980 should be developed in order to solve the problems.

[Answer] There must be development. The social forces must develop. The various organizations must develop. There must be an opening to permit a far-reaching view. In this way, society will develop in a peaceful and favorable way.

[Question] Talking this way, does this mean that you question the sincerity of Policy 66/1980?

[Answer] I have never had to because they have never been sincere. Do I have to answer? The military, political and economic problems, everything in Thai society that we have encountered in history depends on people. One "big shot" has followed another. Policy 66/1980 is meaningless.

[Question] In your meaning of the word, will peace be dangerous?

[Answer] Yes, in the case of the old state powers.

[Question] Is there anything to assure the old state powers that these developments will not pose too great a danger to them?

[Answer] There is opposition to everything. When 66/1980 was implemented, there were people who opposed it. If the communists are granted freedoms, there will be people who oppose the communists. If freedoms are given to the old ideals, freedoms will be given to the new ideals, too. In Thai society, I have observed that at present, no group has greater power than any other group.

[Question] Since you don't think that 66/1980 is sincere, do you think that this is the way to resolve the conflicts in society?

[Answer] When a policy is implemented, it is implemented in stages. This may be because we set our policy goals too high and try to eliminate too many of the pressures. No other society sets targets like this. Even the communists don't set targets like that. Setting such targets makes it easy for others to attack them. Another thing is that in taking action to hit the targets in the policy, such as eliminating the dark influences, those who formulated Policy 66/1980 eliminated the members of the dark powers committee itself.

[Question] In short, from the standpoint of the policy, the arrest of these suspected communists is tantamount to destroying the sincerity of Policy 66/1980.

[Answer] We don't know what conflicts they are having. That is, Policy 66/1980 has little meaning for me. But it does have meaning for those who left the jungle. I don't know what meaning it has for those intellectuals in the cities who never went into the jungle. The only thing that has meaning for me is the constitution and freedom, not Policy 66/1980.

[Question] Since you have certain ideas concerning socialism, would you favor having certain socialist forces serve as a balance of power in the present situation? Will people look at you from this angle?

[Answer] All societies must have several power groups. Even in the most ancient societies, there were people who disagreed with those who held state power. In the most modern societies such as the United States, West Germany and Sweden, there are people who disagree with those who hold state power. Each group constantly tries to do what it thinks will help develop society. We don't have anything new; we are not socialists. We just feel unsatisfied with what we have. Even if we were socialists, we would probably feel unsatisfied. This does not concern state power.

[Question] Since your dispute with Lieutenant General Chaowalit Yongchaiyut, do you think that officials still view the rules of the social struggle in an erroneous way?

[Answer] As compared with 20 years ago, social ideology has undergone great development. Practices concerning the communists have changed almost completely. During the past 40 years, actions against the communists have changed greatly. But they have not kept up with technology or the new society that has developed rapidly.

[Question] Have these been changes in tactics or strategy?

[Answer] Actually, they involve changes in reasons. It must be admitted that all circles have changed. Of course, there was always one group that was well-informed about everything. But now, all circles are equally well-informed about things. Thus, it is very difficult to carry out a revolution or stage a coup.

[Question] Does this mean that you think that those who are trying to suppress the communists have matured but that you hope that they will come to understand the communists or those who hold socialist ideas from the standpoint of those who understand social rules?

[Answer] You should understand this. Because the socialist movement, the political movement, has been going on for 20 years now. People understand this better now. They have to understand. We just want there to be a balance.

[Question] You mean that you want them to have a greater understanding.

[Answer] Yes.

[Question] If they had a greater understanding, would the Phirun affair be just an ordinary matter?

[Answer] Very ordinary. What is there to measure whether his activities have toppled the system? The system has not been toppled. Because just a few people cannot topple a system unless it is almost ready to fall. Only then could they succeed. How could just 16 people topple the system?

[Question] What ideas have returned communists given to the communist suppressors or officials?

[Answer] I feel that their historical role has come to an end. They should stay out of things. They once participated in the revolution. They were united in spirit. But now that this role has come to an end, they should stay out of things.

[Question] Is it correct to say that in your view, revolution or change is natural in society and has nothing to do with right or wrong?

[Answer] Why wouldn't it concern right and wrong? It does. Because society does not want to change.

[Question] From the standpoint of Thai society, is there any chance of your views being accepted?

[Answer] That is difficult to say. The views of individuals spread to all groups. In the course of history, it can be seen that these ideas usually start from some small point and then gradually expand.

[Question] To what point would you like them to develop?

[Answer] It does not depend on what we want. We have to see whether our views are national views.

[Question] I would like to ask one final question. Have you ever thought that your ideas might pose a rather great risk to you from the standpoint of how you are understood by left and right-wing factions? I am referring to being suppressed by the right and to being misunderstood by the left.

[Answer] Today, we know that because of how the Police Department operates, if we go out into the street, we may be threatened, attacked or hit by a car. We face great risks in daily life. From a leftist standpoint, I think that patriots who love democracy must be concerned about understanding ourselves and about why we are in society. Are we here for 66/1980 or are we here to bring about social change? Second, concerning risk, in every society that I have seen, it is the intellectuals who make sacrifices to gain new knowledge. And the state powerholders are always unhappy about this because they do not understand what the people think. Third, there are always risks in trying to bring about social change. If we don't take the risks, how can we bring about change?

### General Han on Arrests

Bangkok ATHIT KHLET LAP in Thai 21-27 Jul 84 pp 30-35

[Interview with General Han Linanon, a senator and the former commander of the Fourth Army Area; date and place not specified]

[Excerpt] [Question] What is your view on the political situation today? Because things are still very unclear. People have been arrested on communist charges, and this has led to questions about whether this is linked to or concerns a coup d'etat.

[Answer] People were recently arrested on communist charges. But I think that, actually, we have given them a chance to struggle openly in accord with Policy 66/1980. People in the jungle have surrendered and are leading normal lives just like other people. I think that the police probably have evidence against those who were arrested and that they had been monitoring them. As for exonerating themselves, they will have to do this in court. No one will be framed. That would entail a loss since the people would find out. We will have to watch this. I think that they will be treated fairly. Their cases won't be "left dangling" for years.

I think that the time is past when people could be framed by dictators and dark powers. Real men must give them a chance to struggle. There is nothing alarming about the communists if we act properly. As for Policy 66/1980 failing to achieve results, I think that the government must take swift action, that is, implement democracy. Until we are a democracy, those who have left the jungle will continue to struggle. We can't expect them to think that what the government is doing is correct. But we must struggle peacefully and fairly, just as I am trying to do these days, in order to bring about democracy. [We] must sell this idea to the people. Thus, these people have to struggle. Their ideas are well thought out and are quite brilliant. We have to be broadminded and accept their ideas.

Thus, Policy 66/1980 must quickly be implemented in order to strengthen things. The factors that they use to mobilize [people] and oppose the government will definitely disappear. The constitution must quickly be revised in order to make it fully democratic. The prime minister must be elected. The election of the prime minister must be the duty of the House of Representatives. The president of parliament must be elected. The president of parliament must also be the speaker of the House. If the government dares to do things like this, the people will cheer and support this. It's strange that we have never thought about doing this. We have always done things in the interests of particular groups or individuals.

As for the idea that regular government officials are good and highly capable people, I think that there are many knowledgeable and capable citizens, or private individuals. Some people have advanced degrees. Some have received M.A. and Ph.D. degrees from abroad. On their return, they engage in private business activities. They have founded many large companies and engage in trade. The administrators at that level have to be capable people. The only thing is that they have few opportunities.

Regardless of whether it is professors, students, others in the private sector or retired government officials, there are many good people. How many good government officials can there be? Which sector would have more good people if we made a comparison? Thus, the idea of allowing regular government officials to serve as political officials should be scrapped. And the people would oppose this.

[Question] Isn't the Anti-Communist Act an important factor that has prevented a peaceful struggle from arising?

[Answer] Actually, at present, the communists no longer have any bases left. The only thing left in the country are small forces that are waging a guerrilla struggle. They don't have any large units left. Thus, internally, things are quiet. We are struggling peacefully. The students and intellectuals have learned a lesson. For example, 6 October 1976 taught them to be more prudent. Thus, in my view, the need to have an [Anti-Communist Act] has declined greatly. Other laws can be used to solve the problems. The Anti-Communist Act should be repealed.

From now on, the struggle will be a political struggle. Whoever has the best ideas will win. But we can see clearly what they want. The country has problems now because it is not a democracy. The communists constantly point to this. If the country can be turned into a democracy, politics will improve, the economy will serve the people and not just one group, there will not be any splits or classes in society, there will not be any oppression, the people will be united and there will be solidarity in the country and the country will have greater discipline. Discipline is a matter of the heart and not just a matter of showing respect or following orders. But those who are said to have good discipline are really just fawning over their superiors. I think that this dishonors the uniform that is worn, regardless of whether it is a government official, civilian or soldier. Fawning over others like this is ugly. Government officials must act in a dignified manner and not just try to gain profits. People should not fawn over their superiors while secretly trying to "stab them in the back." This will destroy the work system.

[Question] Hasn't Policy 66/1980 begun to fail to achieve results?

[Answer] Actually, many articles in this promote democracy. The people have been targets, and their ideas have been developed. But things have not been done resolutely. Why haven't we done something to make

people think in a democratic way and oppose the dictators, influential people and dark powers. The government could do this; it has the means. If we did these things, the faces of the people would brighten. Actually, government officials, civilians, police officials and soldiers must all take part. Things must not be left to the military alone.

[Question] Is this problem the fault of people or the system?

[Answer] It's the fault of people. I noticed that after Policy 66/1980 was implemented, there were meetings at which the successes scored against the communists were announced. The government sent two subcommittees to listen twice a year. But the ministries, bureaus and departments never mentioned these things. This happened only in the military. Actually, the ministries and departments could have made use of this at all stages. This is particularly true for the Ministry of Interior, which is directly responsible for spreading democracy. But nothing was done. And you may have noticed that very few politicians talk about democracy. The only ones who do so are in certain political parties that wave the flag about this matter.

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FURTHER REPORTAGE, COMMENTARY ON LAO BORDER DISPUTE

Editorial Threatens Reprisals

Bangkok THAI RAT in Thai 17 Jun 84 p 3

[Editorial: "Do Not Throw a Match on a Bonfire"]

[Text] The statement of the Lao ambassador to Thailand about the Thai-Lao border in Uttaradit and the interview with the Thai supreme military commander about the conflict should stop any talk about solving the problem at the government level and about discussions based on facts, not emotions. This does not help either side.

It is true now that both sides disagree about the facts. If there is a sharp responding statement and we act from emotion, then it is not likely that we will find a peaceful solution to a small problem of two neighboring countries. If the dissatisfaction spreads, it will be like throwing a match on a bonfire.

We have emphasized the friendship between the two countries and the ties between the Thai and Lao people. One probably could not tell them apart whether it be in language, customs, or living standards because the ties have existed for a long time. As the saying goes, the Thai and Lao are brothers.

We want the same thing as the Lao people. We both want to live in peace no matter what we do. We want to be able to go back and forth like relatives. But now the Lao and Thai are in a bad mood because of the administrators of their countries.

Similarly, we would like the Lao government to understand that the Thai people wish to maintain their friendship. We especially do not think that policies or systems which are different cannot associate. On the contrary, there are ways to maintain the cooperation between the two countries. We have not given up that hope, and we sympathize with the Lao people as they build their nation.

If this situation leads to a break between the two countries, it will create difficulties for the Lao people. We especially do not want to end our friendship because that would mean difficulties for the Lao people. If

Thailand closed the border and there were provocations by low level officials, it would make the situation more tense.

We believe this is an urgent matter which both governments should work on. We demand that the Ministry of Foreign Affairs consider this matter urgently before it is too late, before the friendship has deteriorated, and before the problem cannot be solved by peaceful methods.

#### Editorial Stresses Common Interests

Bangkok THAI RAT in Thai 15 Jun 84 p 3

[Editorial: "The Coming Problem"]

[Text] Lao Radio has broadcast news about the incident on the border near Uttaradit where Thai soldiers carried out an operation in villages on the border. They said it was a violation of their territory. In addition, Vietnam has said that Thailand intended to violate Lao territory and kill Lao soldiers. This could turn the situation into another conflict.

The truth appears in the statement of the Thai ambassador who provided an explanation to Laos and tried to find a way to solve the problem between the two countries with talks about the border situation. Actually, this area has been inhabited by both Thai and Lao [citizens] for some time according to the people who live there. However, when another party turns this problem into a serious accusation then the problem becomes one of unfavorable public opinion which could affect other problems. It would not be good for these provinces which want to cooperate peacefully as the two governments desire.

We feel that the Ministry of Foreign Affairs should deal with this matter quickly by issuing a statement about the problem and acting quickly so that we will not have problems with Laos that cannot be resolved. In addition, when there is an incident Laos has the verbal support of Vietnam; it is an opportunity for them to cause a stir and create a situation they can exploit.

Actually, no matter whose border it is, each country is concerned about maintaining peace and order in its territory and normal border traffic when relations between the two countries are good. Even on the Lao border we know that the government is making allowances to open customs houses so that the people from both sides can cross. This helps people make a living like a good neighbor [should].

If this problem degenerates into accusations and dissatisfaction spreads, then there will be another explosive border area in addition to the one with Kampuchea. It will be a situation beyond solution even though the countries involved are trying to solve it. It is an attempt by Vietnam to cause confusion in this area.

In addition to the border problem, there is the problem of protecting the lives and property of Thai citizens in this area. I believe that steps have been taken on the local level already. The Ministry of Foreign Affairs should not hesitate to proceed because the longer we wait the more likely we are to be accused by the other side which intends to use the country next to Thailand as a spearhead in attacking Thailand.

### Trip to Villages

Bangkok THAI RAT in Thai 11 Jun 84 pp 1, 2, 16

[Article: "THAI RAT Gets Through to the Three Villages"]

[Excerpt] The mines are still thick but the villagers are coming back.

THAI RAT went alone to the villages in Uttaradit where there had been a border problem. It took more than 2 days to get to the first village. A development team was hurrying to make a road to the three villages, but on the same day they encountered mines in three locations and had to stop temporarily. Some residents of Ban Klang Village overcame their fear and returned. The commander of the First Cavalry Division and the deputy commander of the border police went there to encourage their subordinates. They said everything was all right.

On 7 June the Third Army Region sent soldiers to drive off the Red Lao soldiers who had taken control of Ban Mai Village, Ban Klang Village, and Ban Sawang Village in Khok Sung Subdistrict, Uttaradit Province. This was done because it was Thai territory. From then until 9 June our military did not allow correspondents to observe in the three villages and insisted at the same time that everything was peaceful.

In the afternoon of 9 June a correspondent of THAI RAT who had been allowed into Ban Bobia Village, Muangchetton Precinct, Khok Sung Subdistrict asked two residents of Ban Bobia Village to be guides and to take him to Ban Klang Village, which was about 2 1/2 kilometers from Ban Bobia Village, to observe the situation. On the stretch from where one begins to cross the four mountains there was evidence that Development Team No 21 of Uttaradit had done road work for about 1 km. When we got to the point where they had stopped, we found three graders of the Uttaradit Development Team parked. One had hit a mine and the tires on one side were flat.

At the same time the sound of guns grew louder and the villagers on the path said that there was a clash. They thought that some Red Lao had set up an ambush near where the roadwork had been done. A moment later a group of soldiers came out and asked us not to go into the village. They said there were many mines. So the correspondent had to turn back and set up a base in Ban Bobia Village. Later he met with Col Krachang Sawangsi, the deputy commander of Uttaradit Development Team No 21, and he explained that they had tried to make a road to the three villages but had hit three mines in one day. So they had to stop their urgent work temporarily.

"While we were working, the soldiers protected us fully. We are trying our best to complete a road to the three villages. It is the policy of the prime minister and the Army commander that it be finished this week, so we believe we will have to do it," Colonel Krachang said.

Later, at 0600 hours yesterday (10 June), the correspondent started out again for the three villages accompanied by the same villagers as before and an official of the development team. The trip took a little over 3 hours to reach the first village, Ban Klang Village. There they met Thahan Phran soldiers and soldiers of the Third Army Region, and they met the border police. They were in column along both sides of the road, the atmosphere was tense, and they were ready for anything.

At Ban Klang Village, one of the three villages on the border where there had been trouble, the correspondent found about 40 houses. The people were returning to many houses after having fled to the forest when the Thai soldiers took the village from the Red Lao. The Thahan Phran soldiers and the border police were there, the same ones in the two columns he passed. When the correspondent investigated, he found the priest's house. He then met the monk, Sombun Phanphong, 71, at the temple with four novices. When the correspondent asked him how things were, he was told that food had been a problem for several days while there was fighting, but 2 days ago the villagers who had returned home had offered them enough food to get by.

At 1030 hours Maj Gen Sathon Suwannapha, the commander of the First Cavalry Division and Pol Maj Gen Somkuan Harikun, the deputy commander of the Border Police arrived at Ban Klang Village by helicopter and visited the soldiers and the border police on duty. Major General Sathon told the reporter that most of the villagers had returned to their homes. The situation was generally under control. The correspondent asked permission to investigate Ban Mai Village and Ban Sawang Village. Major General Sathon answered that the others were the same as Ban Klang Village: everything was under control. But he still did not want outsiders to go in because the soldiers were clearing mines and all routes were difficult.

Later the correspondent met Mr Muan Thintho, 57, a resident of Ban Klang Village, and asked him about the events. Mr Muan said that when the Thai soldiers took the village he was very frightened. He was afraid that he would be shot too and so he left with his wife and children for the forest. He had just returned. The correspondent asked him if he had looked over his house yet. He did not have any food. The storage bin was empty. Mr Muan said that the Red Lao had taken it with them. Now on his return he will have to start over and plant more rice for food.

On his return trip the correspondent was given a ride by the commander of the First Cavalry Division to Uttaradit. When the helicopter took off he looked at the area around the village. There were fields and the ground was light colored. Ban Sawang Village and Ban Klang Village were in the distance. Soldiers were still forbidding entry there saying that mines made

it dangerous. But from what the correspondent saw, he thought that there was still harrassment from the other side and that the soldiers were still fighting hard and taking losses.

#### Note to Lao Side

Bangkok THAI RAT in Thai 6 Jun 84 pp 1, 14

[Article: "Governor of Uttaradit to Open Talks on the Problem of the Three Villages"]

[Text] He has communicated with local officials and emphasized Thai-Lao friendship.

"Thawat Mokraphong" set out to solve the border problem of Uttaradit. He sent a letter to the head of Paklai District, Sayaboury Province [Laos] requesting that talks begin at the local level first and emphasizing Thai-Lao friendship as neighbors and relatives. There should not be any trouble over territory. The three villages are Thai, but Thailand does not intend to use force except to maintain its rights and defend itself. It is ready to talk.

Mr Thawat Mokraphong, the governor of Uttaradit, talked to correspondents yesterday (5 June) about the problem of the border between Thailand and Laos, which has involved clashes. He said that the interior Ministry had ordered provincial officials to get in touch with Lao officials at the local level to seek a solution to the problem of the three villages on the border, which include about 450 families and 2000 people.

The Uttaradit governor said that he had ordered Mr Phongsin Weipwaraasane, the headman of the Bankhok Subdistrict, to send a letter to the headman of Paklai District, Sayaboury Province. Letter No UT 0816/95 could be summarized as follows: Thailand regrets the border problem and the clashes between Thai and Lao forces. A solution to the problem will require talks at the local level as has already been discussed with Gen Sisavat Routhibounphan, the Thai minister of interior. The situation is serious because of a misunderstanding: the maps which the Lao use are not correct. If there was a thorough investigation, it would be seen that the territory in question was Thai.

In the letter to the headman of Paklai District it was also said that the immigration of Lao to the three villages did not justify a Lao claim because the Thai feel that the Lao are related. Whenever Laos is involved in a war, Thailand helps. Now we are taking care of a great number of Lao, but that does not mean that Laos can claim Thai territory.

Thailand could get to the three villages, but it does not intend to use weapons because that would not have a good result. However, if Laos侵入us, Thailand will have to protect its rights and defend itself. We have been

related for many years and have always been friends. In history there has never been trouble between Thailand and Laos. Laos should understand this and avoid clashes. Thailand intends to let Laos set the time and the place for talks over the border problem this time. If Laos has doubts about anything, let them prepare their data; if there is a disagreement, there will be high level talks. In any case the residents of the three villages would not like to be forced out.

Our correspondent reported that they are waiting for a Lao reply on talks at the local level to solve the border problem. Thai forces are ready at all times to maintain our sovereignty if the talks are not productive or fall through.

#### Villagers Comment on Situation

Bangkok THAI RAT in Thai 2 Jun 84 p 1, 16

[Excerpts] As for the general situation in Ban Bobia Village and nearby the correspondent reported that our side had increased its military strength. The Seventh Cavalry Battalion along with heavy weapons had reinforced the 3701st Thahan Phran. Moreover, Lt Gen Thiab Kromsuriyasak, the commander of the Third Army Region, had ordered the KRP [expansion unknown] to build bunkers with the villagers as well as a pond. In regards to the clashes with Lao soldiers, a military source revealed that in the past there had been two sharp skirmishes: on 24-25 May and on 28 May. The Lao fired 81 mm mortars, RPG's [rocket propelled grenades] and machine guns at our side. In addition, they continuously sent out 30 men armed reconnaissance patrols to investigate and look for avenues of attack. On 30 May one of our patrols ran into one of these Lao patrols and a clash ensued. Our side had set up some mines, and the Lao soldiers tripped them blowing off legs. Legs and Lao military clothing were found in the area where it happened.

Mr Chian Keokong, the headman of Ban Bobia Village, told the correspondent that he had been headman for 12 years and still did not know where the border was for sure. He had seen the border markers on the ridge. They had been there for a long time, and he did not know if they had been moved or not. The correspondent asked him if he compared this area on the map with the markers on the ridge, how much land would we lose. Mr Chian answered that we would lose about 2000 rai of arable land. As for the road he said it was blocked about 200 meters from the border and about 2 km from the three villages. He said that the Lao threat to send 2 to 3 battalions was probably not true; they probably did not have more than 200 men.

## Editorial on Legal Demarcation

Bangkok THAI RAT in Thai 31 May 84 p 3

[Editorial: "This Will Become A Big Issue"]

[Text] The reason that Lao soldiers violated the border in Uttaradit Province is either because the border is not clear or because Lao immigration and settlement there has created a misunderstanding. The supreme military commander has said that he will ask the foreign ministry to tell the Thai embassy in Vientiane to request a response from the LPDR concerning the reason for the violation of the Thai border.

As of now no one can say if this area is Lao or Thai. The reason that the Lao and the Thai Th.S.P.Ch. clashed was because there was no definite border. This is not only a problem in itself but might also lead to conflicts in other areas.

Even though each side has a border commission, the power of these commissions is limited. They have to report to a higher level of government. And the Lao side is still silent about this situation which could be the fuse for an armed conflict since the lower level officials will have to do their duty when they are ordered to defend the border. The result could be a conflict between the two countries which could lead to losses.

The borders of our two countries have markers guaranteed by both governments, and these markers are usually clear and have not been erected by just one side. In normal times the policy is lenient allowing relatives to go back and forth. When there is a conflict over systems of government and policies, then there is nothing to maintain the status quo and the people in these areas will have to be careful of clashes.

Thailand's border problems are getting worse everywhere now, not only with Burma, Kampuchea, and Laos, but also with Malaysia. The old marker system was set up decades ago and the correct method for setting up markers was not used. There were many reasons for this: some areas were so barren they were not included and people did not need to make incursions. However, with the passage of time the problem of food and natural resources has increased causing incursions in order to seize what is necessary to live. But this cannot be allowed because it causes border conflicts.

As we know, in the past there have been certain methods we could use to diminish the border problems, working together according to the principles of neighboring countries with a common border and similar languages and customs. But when they use a political doctrine and a system of government as a basis for their actions, then border conflicts are always occurring until there come times when people's lives and assets are lost. This is because all the governments are concerned with their present interests and do not really look at the problem of cooperation in the provinces.

## Contacts with Disputed Villages

Bangkok THAI RAT in Thai 27 May 84 pp 1, 16

[Excerpt] The news that a number of Red Lao soldiers had seized three villages in the area of Muangchetton Precinct, Bankhok Subdistrict, Uttaradit Province even though these were Thai villages in Thai territory caused confusion among those affected, especially the military. Later N.T. Prasong Sunsiri, the assembly secretary for security, denied it completely. He said the three villages were still under Thai control. They had been reached and contact had been made, and the military had meanwhile developed a plan of action.

A reporter from THAI RAT who went to observe at Ban Bobia Village, Muangchetton Precinct, Bankhok Subdistrict yesterday morning (26 May) reported back in the evening of the same day that when he reached Ban Bobia Village after traveling to the end of a 190 km road there was another ridge to cross to reach the three villages which had the problems: Ban Klong Village, Ban Sawang Village, and Ban Yai Village. But there was a problem in traveling to see whether these villages were all right as the assembly secretary for security insisted. Soldiers of the 3701th Thahan Phran Company, 37th Regiment, 3rd Army Region, refused to allow him to cross the ridge.

The reporter tried to ask if there was a problem at the three villages toward the Lao border, but when that group of Thahan Phran looked toward the mountain top in the direction of Ban Yai Village, Ban Klong Village, and Ban Sawang Village, he did not get an answer. Then Mr Thian Keofong, age 37 and the headman of Ban Bobia Village, took him to look at where some Red Lao mortar rounds had hit close to the village. From the statements of Mr Thian he concluded that the three villages in question belonged to Thailand but were on forbidden territory. Both Thai civilians and Thai soldiers were attacked when they went there.

The reporter found out that it was only about 2 km from Ban Bobia Village by path along the mountain to the 3 villages which include about 2000 people. Last October Mr Suan Dibang, age 33 and a resident of Ban Bobia Village, went to a competition or ceremony at Ban Klong Village and has not been heard from since. It is understood that Red Lao soldiers captured him, and for that reason the residents of Ban Bobia Village have not dared to have anything to do with the three villages.

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CSO: 4207/182

REPORTAGE ON MOVE TO EXTEND ATHIT'S ARMY TERM

Officers Comment on Move

BK090155 Bangkok BANGKOK POST in English 9 Aug 84 p 1

[Text] General Athit Kamlang-ek's term as supreme commander and army commander-in-chief may be extended for two years if a proposal soon to be sent to Prime Minister Prem Tinsulanon is accepted, informed military sources said yesterday.

General Prem in his capacity as Defence Minister will study the proposal before forwarding it to the cabinet for approval. Should General Prem and his cabinet approve the proposed extension, it means that General Athit will retire in October 1987.

Air Force Commander-in-chief ACM [Air Chief Marshal] Praphan Thupathemi said, meanwhile, that the air force fully supported an extension of General Athit's term. General Athit, he said, has made significant contributions to the armed forces and the country.

He added that the air force will soon release a statement explaining its position on the matter and reasons for supporting the move.

Infomed sources said army units, including the four army regions, have submitted name lists of senior officers supporting the extension. The lists will be submitted along with the extension proposal to the prime minister.

First Army Region Deputy Commander Maj-Gen Phichit Kunlawanit will hand over the proposal and lists of supporters to the premier soon.

Army Deputy Chief of staff Lt Gen Mana Rattanakoset said yesterday that he had signed a petition calling for an extension of General Athit's term. Every senior staff officer of the army supported the move, he said, adding that senior police officers also agreed to the extension.

Lt General Mana said he voluntarily supported the move because "General Athit is the kind of leader we want," adding that the armed forces has progressed greatly under his tenure.

He said he was confident that General Prem would approve the proposed extension because General Athit has relieved the premier of a great burden in the defence area.

Another prominent officer who supported the move was Maj General Sunthon Kongsomphong, deputy special warfare commander, who said General Athit's extension of term was "suitable."

Meanwhile, secretary-general to the prime minister Lt Gen Chantharakup Sirisut said that the premier is not upset by the proposed extension.

Asked if the premier would approve the extension, he said that General Prem had never objected to any armed forces request on reshuffles.

#### Athit on BBC Commentary

BK140219 Bangkok THE NATION REVIEW in English 14 Aug 84 pp 1, 2

[Excerpts] Supreme Commander and Army Commander-in-chief Gen Athit Kamlang-ek, commenting officially for the first time on the proposed extension of his tenure yesterday, said he would be willing to accept the extension if his role is considered useful. "If not, I'll go my way," he told reporters.

Asked about a commentary broadcast by the British Broadcasting Corporation (BBC) suggesting that the extension was a political move, General Athit said: "BBC isn't in Thailand. How could they know better than we in this country? The proposed extension of my tenure has nothing to do with supporting the stability of the government. I'll continue to serve the armed forces. That may help shore up the government as well as the armed forces would be strengthened. And reporters like you will also enjoy better security," he said.

#### Prem's Legal Adviser on Extension

BK151236 Bangkok BANGKOK WORLD in English 15 Aug 84 p 1

[Text] The extension of Gen Athit Kamlang-ek's term may be delayed until next year and it is likely to be considered for one year at a time only, the prime minister's legal adviser Michai Ruchuphan hinted this morning.

Asked about the proposed extension of the term for Supreme Commander and Army Chief Gen Athit, Mr Michai said that an extension is legally possible if it is necessary for the benefit of the country's stability.

To affect an extension, the Defence Ministry will ask for approval from the cabinet for an extension of the term for any military personnel, he said.

"And the extension period is one year at a time up to the age of 65. This is the legal steps of the extension procedure, but I do not know about other kind of steps," said Michai.

Asked to comment on the request which was seen as urgent despite the fact that General Athit still has more than one year before he reaches retirement age, Mr Michai said that traditionally the request for an extension would be submitted to the cabinet only when the person was near retirement age so that the need for the extension could be considered by the cabinet.

"That is according to tradition, and I do not know about the two-year extension period request either," said the prime minister's legal adviser.

Mr Michai is considered to be the closest legal adviser to the prime minister who has said repeatedly that he would act in accordance with the law.

General Prem yesterday told members of the cabinet to carry on with their normal duties and to leave "other problems" to him, apparently referring to the proposed extension of General Athit's term.

This morning, the prime minister told reporters that "we should not pay attention to reports which will make us confused because they are groundless and baseless, not a truth in them, which only result in confusion for all."

Interior Minister Sitthi Chirarot this morning said that Prime Minister Prem did not say during the cabinet meeting yesterday what were the confusing reports he had spoken about.

"Every minister should know by himself what is going on at the moment," General Sitthi said.

"I don't know whether General Prem is worried or not, however, as head of the administration and the government he has shown his sincerity and had the courage to solve problems by himself," he said.

General Sitthi said he never worries because he himself was not the one who created the confusion and whoever caused the confusion should look at himself and see what he had done.

Asked to comment on stability of the government, General Sitthi said the prime minister had shown his firmness, sincerity and courage so he would like to ask whether any cabinet minister would cause instability of the government.

CSO: 4200/976

'TEMPORARY BAN ON CERTAIN IMPORTS' SAID LIKELY

BK020132 Bangkok BANGKOK POST in English 2 Aug 84 p 17

[Text] The government, in an attempt to curb the soaring trade deficit, is expected to announce a "temporary ban" on certain imports soon, a highly-placed government source told the BUSINESS POST yesterday.

The source said the commerce and finance ministries were secretly working on a "blacklist" which covered various types of goods.

Only certain items . . . items would be banned initially, he said, adding that the ban would be later extended to cover more items.

As earlier reported in the BUSINESS POST, the Council of Economic Ministers--concerned with last year's record trade deficit and this year's unsatisfactory situation--assigned the commerce and finance ministries in May to study guidelines and measures aimed at curbing the import of "unnecessary" goods.

Commerce Minister Koson Krairoek and Finance Minister Sommai Huntrakun were expected to submit the blacklist to the council next week. If approved, the list would be announced in the ROYAL GAZETTE and implemented immediately, said the source.

Items likely to be included in the list were mainly electrical goods and luxury items, which could be produced locally, he said.

However, the ban would not include capital goods considered necessary to Thailand's economic and industrial development.

The source said the measure would be abrogated once the country's trade and payments balance improved.

He added that Prime Minister Prem Tinsulanon had instructed both ministries to consider the list "carefully and gently," so as not to affect Thailand's relations with her trading partners.

It was expected that Japan would feel the worst pinch as it supplies more than half the country's imports.

The source said that the Bank of Thailand and the Customs Department were also keeping a close watch on certain imports, which were already well-stocked by importers and not in great demand.

The import ban may later include these goods, he added.

He said the economic ministers have also authorised the Finance Ministry to adjust import duties on certain goods--which may go on the blacklist later--in order to restrict imports.

The source said the government has also laid down certain "efficient and effective" measures to cope with smuggling once the ban was effected.

He said he expected the ban would help bring the country's trade deficit to a satisfactory level.

The council of economic ministers also discussed Mr Koson's report about the recent 11th ministerial level meeting of the Japan-Thailand Joint Committee of Trade, which ended in failure, said the source, adding that "they (the economic ministers) even proposed a tougher measure to counter Thailand's huge trade deficit problem with Japan."

Meanwhile, it was reported that the Finance Ministry has instructed the central bank to monitor commercial bank credit extensions to importers for advance purchase of goods, as rumours have begun circulating that the government was planning to ban certain imports.

CSO: 4200/976

DAILY COMMENTS ON SRV-PRC BORDER CLASHES

BK070159 Bangkok THE NATION REVIEW in English 7 Aug 84 p 4

[Editorial: "Border 'War' Convenient to Both Beijing and Hanoi"]

[Text] It does appear extremely strange that Hanoi Radio has said that during the past four months the Vietnamese have "put out of action" 7,500 Chinese troops. The question is not how much truth or how much propaganda is in the statement but the various implications which such a statement raises. For one thing, the border skirmishes between Vietnam and China have been going on for at least four months and there is no indication that any major battle was fought.

Radio Hanoi also said that during that period the Chinese fired 230,000 artillery shells which have killed hundreds of civilians and destroyed factories. During these four months, Beijing has also periodically reported border skirmishes with Vietnam. Many Indochina watchers, in Bangkok and elsewhere, have dismissed the statements coming from both sides as mere propaganda.

Of course, there is a lot of propaganda in these statements, but the fact has to be admitted that during this period there has been fighting--perhaps, continuous, perhaps sporadic. Another reason why we do not want to dismiss these statements as complete propaganda is that the skirmishes fit in with the logic of both sides, something quite rare.

While the Chinese leaders have fully backed the ASEAN and the UN stand that a peaceful political settlement should be achieved in Kampuchea, they have never for a moment believed that such a course of events would be possible. Right from the start of the Vietnamese invasion of Kampuchea, the Chinese answer has been "bleeding Vietnam white" and China has not changed her mind. Although China described her 1979 invasion of Vietnam as "the first lesson," we doubt that she is interested now in a second lesson. She is only interested in "bleeding Vietnam white".

In border fighting--or whatever else one may call it--is also advantageous to Hanoi. The Vietnamese slogan from the beginning has been: There can be

no peaceful solution to the Kampuchean problem unless the China threat is removed. Both Australia and Japan have offered their good offices to help bring about talks about a peaceful political solution to the guerrilla war in Kampuchea but to no avail.

And long before these two countries made their offer, there was the International Conference on Kampuchea under UN auspices in New York. But Hanoi has repeatedly insisted that she will go to the negotiating table "only when the China threat is removed". Strangely, both Vietnam and China think that time is on their side. Time was definitely on Vietnam's side when she was fighting the Americans, but the same formula does not apply now.

With her modernization programmes, China is taking strong economic strides forward while Vietnam, despite whatever aid the Soviet Union can provide, is sinking steadily into an economic morass. But for the present at least, it suits both sides to fight a border "war" which fits in with their line of thinking.

CSO: 4200/976

SPECULATION ON PREM-ATHIT TENSION

BK161300 Bangkok BANGKOK WORLD in English 16 Aug 84 p 6

[From the "Political Periscope" column]

[Text] The move to extend the term for General Athit Kamlang-ek seems to have created a certain amount of tension between General Athit and Prime Minister Prem Tinsulanon, and from what Periscope can see the tension may well be a prolonged one.

This is because due to restrictions of the law an approval of the extension is not likely to be as quick as the army may wish.

And it has been noted by political observers that Pa [Prem] may benefit from the delay, although further pressure may be brought against him.

Pa has played a low-keyed role since the beginning of confusing reports of a conflict between key military leaders. He disclosed for the first time Tuesday that he had already received a letter signed by over a hundred military officers requesting an extension of General Athit's term.

Pa did not disclose details of the letter, but Deputy Commander of the First Army Region, Maj Gen Pichit Kunlawanit who engineered the move had said earlier that he would ask for a two-year extension for General Athit.

Pa did not say whether he agreed or disagreed with the mass appeal by the armed forces. He simply said that he would consider the issue according to the process of the law.

According to a military legal officer, the two-year extension of General Athit's term, as proposed by Maj General Pichit, may be difficult to realise.

Article 19 of the 1980 Pension Law, revised to allow the extension of Pa's term as army chief, clearly stipulates that "a government official will be retired at the end of the budget year, after his age reached 60 years."

But for special reasons concerning national security, education or economic development, or for a civil servant of the Royal Court, the aide-de-camp

general or deputy aide-de-camp, the cabinet may approve an extension of the official term one year at a time until they are 65.

So the two-year extension at the same time as proposed by Maj General Pichit would seem not to be possible.

Article 21 of the Pension Law stipulates that before the end of the last month of each budget year, the Defence Ministry will submit a list of military officers who will reach retirement age in the next budget year to the defence minister, with a copy to the finance minister.

The defence minister will then consider whether anyone on the list qualifies for an extension according to Article 19. He will arrange to submit the name of those who qualify to the cabinet for approval.

The law also stipulates that the extension of the military term must be completed two months before the end of the budget year of retirement of that officer.

Therefore, anyone who expects Pa to rush General Athit's name to the cabinet straight after receiving Maj General Pichit's letter is hardly being realistic.

The proposal for a two-year extension is also impossible since Article 22 of the Pension Law stipulates that the first one-year extension will start the day after the officer reaches retirement age, and the next one-year extension must be carried out one month before the expiration of the previous one.

These are the lengthy processes which Pa will have to follow--unless somebody decides to use some magical power to abolish several of these articles in the Pension Law to pave the way for the immediate two-year extension of General Athit's term.

Political observers are noting that Pa may well benefit from the delay. Certainly, Pa will have a big say in the forthcoming annual reshuffle of the military which should take place sometime next month. As defence minister he will be responsible for submitting the list to his majesty the king while as prime minister he will countersign the list after his majesty's approval.

CSO: 4200/976

SONMAI ORDERS REVIEW OF FISCAL POSITION

BK140812 Bangkok THE NATION REVIEW in English 14 Aug 84 p 17

[Text] Finance Minister Sommai Huntrakun has ordered a review of the country's fiscal position to pave the way for tax restructure so that government revenue will reach the target set at 178,000 million baht for fiscal year 1985.

The review is based on the concern that government revenue is expected to show a shortfall of 5,000 million baht in the present fiscal year due to end next month, according to well-informed sources.

The shortfall is about 3.125 percent of the target set at 160,000 million baht.

The sources said that Minister Sommai met top officials of other units including the National Economic and Social Development Board, Bank of Thailand, Budget Bureau, Fiscal Policy Office and the Comptroller-General's Department to discuss the country's fiscal position.

There is a tendency that the fiscal position will be further affected by the deficit. The sources said fiscal planners expect that when the fiscal year ends next month there will be a revenue shortfall of 5,000 million baht.

The fiscal deficit is due to unsatisfactory economic growth rate. The sources said that the fiscal planners consider that the slow growth is not a serious problem because there still exists much room for future economic expansion.

The present situation is, however, favorable as domestic inflation is still at a low level while exports continued to grow at 15.2 percent in the first half of this year compared to a decline of 7 percent in the same period of last year, the sources said.

The fiscal deficit can be attributed to shortfall in tax collection. The sources said that during the first 10 months of fiscal year 1984 the Revenue Department showed a shortfall of 4 percent of 2,686 million baht.

The department has planned to collect up to 67,200 million baht and only less than two months are left. "It has to speed up the collection. If personal income tax due next month is not up to the target the shortfall will be bigger," the sources said.

Minister Sommai, the sources said, showed concern over the declining revenue and this problem is likely to continue in the next fiscal year. The situation will be worse if trade deficit grows further next year.

"If that is the case, it will be more difficult for the government revenue to reach the target set at 178,000 million baht," the sources said.

The minister has ordered officials to speed up tax restructuring so that the government can earn more revenue. However, another concern is that restructure of personal income tax, as instructed by the Council of Economic Ministers, is likely to deprive the government of at least 2,000 million baht in tax revenue.

"What is worrisome is that the government will not have 5,800 million baht income from the contracts awarded for construction of 12 new liquor distilleries as in fiscal year 1983," the sources said.

In addition to restructure, the country needs more measures to boost exports and encourage economic growth in the industrial and agricultural sectors, the sources said.

CSO: 4200/976

SU ANAKHOT CONSIDERS POSSIBILITY OF COUP

BK160447 Bangkok SU ANAKHOT in Thai 2-8 Aug 84 pp 20, 21

["Inside the Green" column by "Big Man"]

[Text] The political situation in July indicated that the pressure to push General Prem Tinsulanon's administration to a dead end did not decrease. The attempt to create a trend toward a coup d'etat still remained and seemed to speed up gradually.

General Prem's "three no's" policy--no cabinet reshuffle, no constitutional amendment, and no parliament dissolution--has reportedly barred some military officers from access to political positions. A Chat Thai Party political analyst has said: "If this group of government officials wants to hold political positions, there are no other ways except to create a possibility of a coup d'etat because their leaders do not have enough power to gain the recognition of any political party."

Efforts to impair the image of the MP's and politicians have been imposed to cause people to be tired of the democratic system. Industry Minister Op Wasurat was made to reveal that some National Democratic Party MP's had forced him to seek 200 million baht to finance the party. This was followed by a non-confidence debate against General Prem and other ministers and a signature gathering campaign to oust some ministers who are in General Prem's quota.

Political games were reasonably played when the Chat Thai Party chose Communications Minister Samak Sunthorawet as a target of attack for his involvement in the 19 illegal buses scandal. This political game has caused some high-ranking MP's in the Chat Thai Party to anticipate that General Prem will be forced to reshuffle the cabinet or oust Samak from the coalition government.

Later, the Communist Party of Thailand moved from the jungle to the city, leading to the arrests of a university lecturer and a journalist amid rumors that there were some different opinions within the military over the arrests. The village scouts, who once formed the strength in changing the political situation, have been reactivated while General Prem's administration faces economic problems, and the national budget still awaits approval from parliament. All this can lead to unexpected political changes.

On the other side, it is apparent that the question of who will succeed as army commander is fading away. It is expected that Major General Phichit Kunlawanit has enjoyed more trust than Lieutenant General Chawalit Yong-chaiyut. But it does not mean that the problem has been entirely eliminated.

It is believed that the conflict within the military was further aggravated when one party heavily attacked the other by imposing an image on the latter that some military officers have been involved with certain groups of defectors. There was even a call to unmask the plot of these officers who are behind the communists.

"Whether there will be a coup d'etat or not depends on the conflict within the military," a politician said. The statement can be applied to the current situation. A bad omen emerged when the list of the April military reshuffle failed to satisfy all parties concerned.

Although the conflict within the military could lead to a coup d'etat, attempts have been made to create more trouble in the country by using all kinds of tricks. The reaction of the village scouts to the [Sulak Siwarak] case of lese majesty is an example.

The 25 August rally at the Government House held by village scouts from 24 Bangkok districts urging the government to prosecute writer Sulak Siwarak was arranged. After that, the Chiang Mai Police arrested Ramkhamhaeng University student Chakkri Phatthanachai and seven Chiang Mai University students on charges of possessing a book defaming the monarchy. The students were also alleged to have arranged a rally to protest the election of the Chiang Mai University rector.

Also, a group of Chiang Mai riot police was sent to clear the Chiang Mai University campus.

"If we follow the current situation since the village scouts' rally at Government House, I would say it is like the 6 October incident in 1976. The charges are not different--lese majesty," a politician of the Democrat Party who had experienced the 6 October incident said as if he were trying to tell us something.

Major General Sutsai Hatsadin, former military officer from the Internal Security Operations Command who backed up the vocational students, or the Red Gaur movement, to play a major part in the October 1976 incident, disclosed that some high-ranking military officers had contacted leaders of the Red Gaur group and asked them to be on full alert. This may be considered a warning that a coup d'etat is not impossible and should not be overlooked.

Some observers have said that the next political game will depend on the decision of M.R. Khukrit Pramot, the pillar of democracy, and on General Prem, who has pledged to sacrifice himself for the democratic system. Will they give up or continue to struggle?

CSO: 4207/192

## BRIEFS

ARMY HALTS RADIO CAMPAIGN--Nakhon Ratchasima--The second army region will stop a radio campaign against outspoken Deputy House Speaker Piyanat Watcharaphon of the Chat Thai Party. Second Army Region Chief-of-staff Maj Gen Manun Phonwiang told reporters here yesterday that he had ordered all army-run radio stations in 17 northeastern provinces to stop criticising the Sisaket MP. Mr Piyanat drew the army's wrath when he blamed the military for destroying democracy during a panel discussion at Thammasat University last week. The Internal Security Operations Command later issued an announcement denouncing the MP's statement and accusing him of being irresponsible and ill-mannered. [Text] [BK050144 Bangkok BANGKOK POST in English 5 Aug 84 p 1]

AIR SERVICE ACCORD WITH BRUNEI--An air service agreement between Thailand and Brunei is expected to be concluded soon. The agreement is aimed at strengthening [word indistinct] trade between the two members of the Association of Southeast Asian Nations. Deputy Prime Minister Phichai Rattakun made the statement during his visit to the sultanate on Sunday. Mr Phichai says the aviation agreement will be a significant step towards closer trade ties between the two countries. Royal Brunei Airline flies twice weekly to Bangkok, but the Thai flight carrier does not fly to Brunei. Mr Phichai says there are many economic and trade possibilities for mutually beneficial co-operation. He also expressed hope that Brunei businessmen will invest in major development projects in Thailand. Brunei mainly exports crude oil to Thailand and Thai exports to that country include rice, fresh fruits, and vegetables. Deputy Prime Minister Phichai Rattakun and his party returned to Bangkok yesterday from a 1-week visit to Brunei and the Philippines. [Text] [BK021426 Bangkok Domestic Service in English 0000 GMT 2 Aug 84]

OUTGOING SOVIET AMBASSADOR--At Government House today outgoing Soviet Ambassador Yuriy I. Kuznetsov, accompanied by the director general of the protocol department, took leave of Prime Minister General Prem Tinsulanon. During a cordial reception, the prime minister expressed his appreciation at the improved Thai-Soviet economic, trade, and cultural relations during the ambassador's term in Bangkok which have resulted in better understanding between the Thai and Soviet peoples. The prime minister said although Thailand is a small country, it cherishes peace and friendship with all countries regardless of administrative systems. Thailand and the Soviet Union have had long standing good relations and it is hoped that Thai-Soviet relations will continue to improve. [Text] [BK310803 Bangkok Domestic Service in Thai 1300 GMT 30 Jul 84]

## INTERNATIONAL RELATIONS, TRADE AND AID

### COMMENTARY ON THE KAMPUCHEAN REVOLUTION

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Jan 84 pp 17-24, 40

Article by Trung Dung: "The Fifth Anniversary of the Kampuchean People's Republic National Day: The Kampuchean Revolution Steadily Advances"

Text Entering the first days of the new year, 1984, people of all nationalities throughout Kampuchea are elated about the fifth national day anniversary of the Kampuchean People's Republic, which came into being following the 7 January 1979 victory.

The great victory on this date 15 years ago was a gold and vermillion marker, the most important historic event of the community of peoples living in the land of Temples and Towers during the course of the long-term, arduous struggle for independence and freedom.

A new page of history for the Kampuchean nation began that day. For the first time, the Kampuchean fatherland was truly independent, and people of all nationalities in the Kampuchean nation were masters of the nation, masters of their destiny.

This resounding victory was the splendid epic of legitimate revolutionary forces in Kampuchea in coordination with the army and people of Vietnam who won the far-reaching victory in the war to defend the fatherland on the southwestern border and overthrew the yoke of domination of the Pol Pot traitor, revolutionary pretender and lackey of the Chinese reactionaries.

After the historic, significant victory of the time by the three peoples of Indochina in the historic confrontation with the U.S. imperialists, the Kampuchean 7 January 1979 victory, the Vietnamese victory in the war to defend the fatherland on the southwestern and northern border, and the Laotian victory in the rounds of the new, historic confrontation with the Chinese expansionists and hegemonists created a splendid new situation unprecedented on the Indochinese peninsula. For the first time in history the three countries of Vietnam, Laos and Kampuchea are completely independent, unified and together are advancing to socialism, forming an unwavering alliance of the three fraternal peoples on the Indochinese peninsula advantageous to peace and revolution in this region.

Since the heavy defeat in several types of war of aggression in Kampuchea and in

Vietnam in 1979, the Chinese expansionists and hegemonists, colluding all the more closely with the U.S. imperialists together with other international reactionary powers, have continued to frantically oppose the revolution of the three Indochinese countries and have followed a new strategy, the strategy of war of sabotage with specific objectives, themes, and methods consistent with each country's specific situation. They are concentrating the spearhead against Vietnam and, to carry this out, are pointing it toward Kampuchea which they feel is one of the weakest links in the network of socialist countries in Indochina and Southeast Asia.

For the past 5 years the enemy's counterattacks against and opposition to the Kampuchean revolution have occurred continuously and furiously in every field: militarily and economically, politically, socially, and diplomatically. In essence, this is the aggression of Chinese expansionism and hegemonism in collusion with U.S. imperialism and the lackey powers of which the Pol Pot gang is the primary force. Its objective is to overthrow the revolutionary administration of Heng Samrin, reestablish China's yoke of domination over the Kampuchean people, return Kampuchea to Beijing's orbit, use Kampuchea to weaken Vietnam, and progress toward annexation of Vietnam and Laos. However, they camouflage this as "the liberation war" of Kampuchea against the so-called "yoke of occupation by Vietnam"!

Beijing's strategy in this also is a type of Mao Tse-tung's "protracted guerrilla warfare strategy," "Khmerized."

With the collusion and assistance of the United States along with other reactionary powers, China is attempting to rally various types of reactionary and traitorous lackeys in Kampuchea in the so-called "coalition government of democratic Kampuchea," endeavoring to supply arms and grain to this gang. They use Thailand as "the graveyard," repeatedly conduct armed operations on the Thai-Kampuchean border, and cause prolonged unstable conditions here. At the same time, also through here, they seek ways to infiltrate into areas within the interior to link up with former reactionary elements in hopes of forming underground forces and organizing administration both in cities and in the countryside, following the formula of "prolonged ambush." They conduct operations to harass, terrorize and coerce a number of compatriots into following them to serve as a shield as well as a source of logistical replenishment and supply for them. They take advantage of weak revolutionary places, especially dangerous forested areas near the Thai-Kampuchean border, to step up guerrilla operations and to create opportunities to disrupt and seize power, hoping to establish the so-called "hollow bases" inserted between the revolution and counterrevolution in a number of places, creating two areas.

Since 1982, in the face of the rapid revival of the Kampuchean nation and the vigorous development of the Kampuchean People's Republic, the enemy has desperately stepped up the multifaceted war of sabotage through several strategic measures: guerrilla warfare, psychological warfare, and espionage warfare. They are emphasizing economic, political-ideological and organizational sabotage with schemes to transform cadres, reduce the confidence of the people in the new regime, and progress toward realization of the plot to evolve peace and overthrow the revolutionary administration.

Beijing and the Kampuchean reactionaries as well as the United States and Thailand are using the U.S. navy and Thai army to coordinate operations in the coastal area, to cause provocations, and to threaten the security and territory of Kampuchea. They are colluding with espionage agents and commandoes introduced into South Vietnam by the United States, linking up with the reactionaries in the religions, minorities, and former puppet army and administration in South Vietnam to oppose and destroy the revolution of the two countries of Kampuchea and Vietnam.

Meanwhile, on the northern border of Vietnam, the Beijing reactionary clique is introducing troops to murder and cause armed provocation, dispatching spies, commandoes and reconnaissance elements into our interior, occupying a number of places on the border, causing tension regularly and threatening a war of aggression, "to give Vietnam a second lesson."

In the international arena, China, in collusion with the United States and other international reactionary powers, is continuously accusing Vietnam and distorting the Kampuchean situation. They are dragging in the ASEAN countries, especially Thailand, to face the Indochinese countries head-on and to economically besiege the Kampuchean People's Republic in hopes of isolating the Kampuchean revolution, diminishing the prestige of the government of the Kampuchean People's Republic, and to create influence for the Pol Pot genocidal corpse and the other lackeys in the "tripartite coalition government" rigged up by them. The enemy also is carrying out many insidious and threacherous schemes and maneuvers, hoping to incite narrowminded national thinking in the Kampuchean cadres and people, sow discord, sabotage the Vietnam-Kampuchea and Vietnam-Kampuchea-Laos militant solidarity and alliance, and sabotage the militant solidarity and alliance between the three Indochinese countries and the Soviet Union and other countries in the socialist community.

The enemy's intention is to carry out a long-term war of attrition in hopes of weakening the Kampuchean revolution and "bloodying" Vietnam gradually in Kampuchea, employing military forces from outside to attack -- combined with causing disruption from within -- and occupying a number of positions along the border and within Kampuchea; coordinating with the war of sabotage in Vietnam and Laos; at the same time, coordinating with the diplomatic struggle and creating pressure on Vietnam and Kampuchea to reach a political solution to the "Kampuchean question" beneficial to them; from this, advancing to implementation of their basic, long-term scheme.

The enemy's ambition is tremendous. They also are firmly convinced of their victory. Even in 1979, when discussing the 7 January victory of Vietnam and Kampuchea, the former Chinese minister of national defense, Geng Biao, boasted: "Vietnam thinks this is the end of a victory, but it will be the beginning of a defeat"(!).

But the enemy himself has erred. The enemy's subjective design is a problem, and whether or not they can carry out that design is yet another problem.

After overthrowing the Pol Pot genocidal regime, the lackeys of Beijing, people of various nationalities in the Kampuchean community, under the leadership of the Kampuchean People's Revolutionary Party and the government of the Kampuchean People's Republic headed by Chairman Heng Samrin, with the impartial, prompt

and effective assistance of Vietnam, the Soviet Union, other socialist countries and many international organizations, have struggled very courageously, overcome myriad difficulties, surmounted every challenge, and recorded far-reaching and all-round achievements in the defense and construction of the nation.

Only until seeing all of the serious consequences left behind by Beijing's lackey regime in Kampuchea can we see clearly the marvelous successes the Kampuchean people have achieved.

Prior to the day of victory, the Kampuchean revolution was betrayed; the Communist Party was usurped and transformed; the legitimate revolutionary forces were almost completely annihilated. Not only this. The Kampuchean people were slaughtered by the millions, nearly half the population and on the brink of genocide. And that's not all. The entire Kampuchean society was turned inside out; molded gradually according to the model of a strange type of "socialism," the product of Maoism in coordination with the insane, anarchical ideology of the Pol Pot ruling clique. This is still not all. The entire Kampuchean nation was horribly destroyed, cities devastated, the countryside annihilated, homes demolished, families scattered, markets, schools, temples, etc., no longer. Not only this, following the 7 January 1979 victory, the Beijing reactionaries in collusion with the U.S. imperialists and the reactionary powers in the ASEAN countries continued to insanely oppose and destroy the Kampuchean revolution, hoping to strangle it and return the Pol Pot gang to rule.

So, in this desolation, the entire Kampuchean people, in the short span of only 5 years, have been and are being revived; the entire Kampuchean nation has been and is being rebuilt; the Kampuchean revolution has been restored and is being defended more and more firmly each day.

Upholding the spirit of revolutionary vigilance and resolutely defending the recently gained independence and freedom, the Kampuchean people and revolutionary armed forces, in close coordination with the Vietnam Volunteer Army, have smashed the acts of war and harassment by the Pol Pot gang along the border as well as within the interior. Their counterattacks, plans to win back the people and nation, guerrilla operations, etc., have been defeated one by one; their dens and bases have gradually been swept clean. Reactionary organizations, underground forces, plans for disruption have been discovered and stopped short by the people and revolutionary administration before they committed crimes. Tens of thousands of compatriots forced by the enemy to serve as shields have been liberated and returned home to make their own livelihood.

The independence and freedom of the Kampuchean fatherland is being defended. The schemes and acts of aggression and sabotage by the Beijing reactionaries and lackeys are going bankrupt step by step.

The 7 January 1979 victory saved several million Kampuchean compatriots still living from genocide. The people came forth to organize their new lives, unite families, bury relatives, restore production, develop the economy, step up education, public health, and culture. Horrible famine caused by the genocidal regime was ended. The entire country began to alleviate the need for grain and food on its own. The nation again reverberated with the songs and the rhythm of the warm and colorful dances of the unique Angkor civilization.

The revived nation is now engaged in building the new regime, the socialist regime, consistent with the specific conditions of the nation of Temples and Towers.

The Kampuchean people have distinguished where is the true socialism of the Kampuchean People's Revolutionary Party, which brought back the well-being, freedom, and happiness to the people; where is the false "socialism" of the Pol Pot gang, with such incalculable horrendous brutality unfading in the memory of each person.

This is a huge political triumph for the Kampuchean revolution, proving a new, gigantic step of the Kampuchean people's political growth. This also is a tremendous force pushing the Kampuchean people in three revolutionary action movements: building national defense and security, and defending the home and nation; stepping up production and stability of life; building the real strength of the revolution -- turning the resolution of the Fourth Congress of the Kampuchean People's Revolutionary Party into real success.

The revolutionary forces are expanding everywhere. The Kampuchean People's Revolutionary Party, usurped and transformed by the Pol Pot traitors, is now being rebuilt, strengthened, and expanded; it has the masses' trust as the banner leading the Kampuchean revolution transitionally to socialism. The revolutionary administration, embodying the mastership right of the people and established from central to the local and primary levels, is developing the role of management and tending to the life and security of the people. Mass revolutionary groups, which have been built and strengthened, are attracting the involvement of all strata of people in defending and building the nation. The ranks of revolutionary cadres are growing more and more each day, and quality and capabilities are gradually rising. The ever-stronger revolutionary armed forces have formed main force troops, local troops and militia and guerrillas. Main force troops have regular corps (binh doan) with appropriate technical arms. Many units of the Kampuchean armed forces have taken it upon themselves to satisfactorily carry out the mission of fighting the enemy, assumed control of the positions in those places from which the Vietnam volunteer troops have withdrawn, are defending the revolutionary administration and have the trust and love of the people.

Regardless of the tragic accusations of international reactionary forces, the prestige of the Kampuchean People's Republic is increasing in the world day by day. Thirty-two countries on the continents have officially recognized and established diplomatic relations. Wide public opinion among the world's progressive people is demanding that governments and international organizations officially recognize the government of the Kampuchean People's Republic as the sole, legitimate representative of the Kampuchean people and that the Pol Pot genocidal gang and reactionary Khmer powers be expelled from the United Nations.

The Kampuchean people still must surmount many challenges and difficulties, still must devote a longer time to overcoming the serious consequences of the genocidal regime, still must continue to struggle, sacrifice and endure adversity in order to defeat the insane and insidious schemes of the enemy. But the realistic picture full of the vitality of Kampuchean society over 5 years has affirmed: every aspect of the situation in the Kampuchean nation is getting increasingly better. The posture and strength of the Kampuchean People's Republic are growing increasingly stronger. The revolution is steadily advancing and continues to gain success. The three Indochinese countries' situation is more

splendid than ever. The enemy is continuing to decline and will surely be annihilated.

The far-reaching and all-round successes of the Kampuchean revolution recorded over the past several years, such as the February 1983 resolution of the Political Bureau of the Kampuchean People's Revolutionary Party has affirmed, is due to the party "having the correct line and correct measures, mobilizing the revolutionary spirit of the entire population and army, continuously building and pushing the three revolutionary movements of the masses, and the devoted assistance of the Vietnam armed forces and specialists."

The Kampuchean laboring people, by their revolutionary actions, have articulated the will, capability, and strength of a people each possessing a radiant history of construction and combat. Correctly evaluating the tremendous capability of the Kampuchean people, being firmly confident in their great strength, and exploiting and developing the marvelous creative strength of all strata of people in the land of Temples and Towers have been regarded by the party leading the revolution in Kampuchea as the most pivotal for continuing to bring the Kampuchean revolution steadily forward.

Kampuchea, a small country with a small population yet very rich in ability, created the brilliant Angkor civilization many centuries before. These people many times suffered invasion by ruling feudal groups in a number of neighboring countries and experienced a history of glorious struggle for thousands of years in order to survive and retake and rebuild the country. However, all the fruits achieved by the blood and sweat of so many generations were seized by the ruling dynasties of exploitation classes. The nation was independent, but the people were not free.

Entering the period of modern history, Kampuchea was again submerged in the long nights of the century under the colonial and imperialist yoke of domination. Under the banner of Marx-Lenin, the Kampuchean people together with the fraternal Vietnamese and Lao peoples, stood up to fight against the common enemy and triumphed extremely gloriously. The Kampuchean people stood on the threshold of true independence and freedom and were completely deserving of this right to independence and freedom. The nationalist hatred fostered in history by the feudalists of the two countries of Kampuchea and Vietnam is gradually being eliminated.

However, how ironic history, the Kampuchean people were once again betrayed; this time primarily because of the self-styled Marxist-Leninists bearing the name of socialism. This was the Pol Pot-Ieng Sary clique, the lackey of the Chinese expansionists and hegemonists. The Kampuchean nation was again immersed in the sea of blood of an unprecedented genocide. At the same time, the hatred between the two peoples of Vietnam and Kampuchea, actually eternally repressed in the past, was again incited in an insane fashion.

The Kampuchean people's yearning to live in true independence and freedom was violently suppressed. The close militant solidarity between the two peoples of Vietnam and Kampuchea, shared in combat trenches, was insidiously sabotaged by the patriotic pretenders. This was the source of the uprising by the Kampuchean

people in coordination with the Vietnam army and people in the earth-turning, earth-shaking revolution to overthrow the traitorous Pol Pot gang, lackey of Beijing. This also was the source of great spiritual motivation containing a tremendous material potential and leading to the Kampuchean revolution's brilliant achievements over the past years.

If the strength of the Kampuchean people under the leadership of the legitimate revolutionary party is the most decisive fundamental factor for the success of the Kampuchean revolution in the long term, then Vietnam's assistance is an especially important factor and, it could be said, as Kampuchean comrades have stated, in certain circumstances, a decisive factor as well. As the history against aggression of the three countries of Vietnam, Laos and Kampuchea has proven, the militant solidarity and special alliance between the three Indochinese countries will always be a basic factor ensuring the success of each country and of all three countries.

Vietnam's assistance to Kampuchea is special assistance, imbued with international proletariat feelings and also profoundly expressing the genuine patriotic spirit of the Vietnam army and people. The Vietnam Volunteer Army clearly understands that it crossed into Kampuchea at the request of the Kampuchean party, government and people to assist friends in defending the independence, freedom and socialism of Kampuchea as well as to defend the independence, freedom and socialism of Vietnam. Kampuchean comrades have stated the Kampuchean people will "eternally remember the service of the Vietnam party, government, people and army which in 1979 sent their prized children to fight for the survival of our people and are continuing to devote tremendous, prompt and effective assistance for the restoration of the economy and development of the culture of the Kampuchean people."\*

Cadres and soldiers of the Vietnam People's Army and Vietnamese specialists in Kampuchea always thoroughly understand the fundamental viewpoints in the international line of our party toward the fraternal party and people.

We consider helping friends to be the international as well as the national duty. Expansionism in collusion with imperialism and reactionary powers always seeks every way to break the Vietnam-Laos-Kampuchea bloc of solidarity, using one country as the springboard for annexing another and advancing toward annexation of all three countries on the Indochinese peninsula. They regard Indochina as a battlefield. Not a single country is safe if the independence and freedom of one of the three countries is oppressed. Principally because of this, our party considers "helping friends to be helping ourselves" as Chairman Ho Chi Minh clearly indicated. We help friends and friends also help us. This is mutual assistance. This assistance is based on equality politically and in terms of duty. Each country, depending on its own capabilities, does its best for the national mission and contributes its utmost to international duty. Without friends, the pros and cons cannot be calculated.

\* Expressed by Chea Sim, member of the Political Bureau of the Kampuchean People's Revolutionary Party, chairman of the Kampuchean People's Republic National Assembly, chairman of the National Conference of the Solidarity Front to Build and Defend the Fatherland, at the Third Conference of the National Conference of the National Conference of the Solidarity Front to Build and Defend the Fatherland, 15 December 1983.

The revolutionary cause is the cause of each country's peoples themselves. The assistance from outside, though tremendous and important, ultimately cannot replace the internal forces themselves and must, through the internal forces, develop effect. For this very reason, our party considers the prime objective of our assistance to friends to be helping friends to determine their own destiny by themselves and undertaking their own revolutionary cause by themselves.

We therefore always respect the friends' right of mastership and endeavor to highly develop the concept of mastership and to help friends boost the level and capabilities of mastership, creating conditions for them to decide every task by themselves consistent with their conditions in terms of history, nation and people. We help friends to master life, society, the task of defending and building the nation, throughout the country and in each locality and in each installation. Without dogma, we bring their experiences to apply machinery to their circumstances.

Kampuchea is a nation, cherishing independence and freedom, that has paid the price many times in combatting foreign aggressors for independence and freedom. The Kampuchean people have been betrayed by domestic rulers more than once. Thus, the Kampuchean people are very sensitive about their national sovereignty. They also are very alert to betrayal by the Pol Pot gang and other lackey reactionary powers. Consequently, we have sufficient basis to firmly believe in the abundant capabilities of the fraternal Kampuchean people to control their nation, to combat all foreign aggressors and domestic enemies, and to build the new life. We clearly understand that a nation which has built Angkor can do anything once it has the correct leadership of the legitimate revolutionary party, the Kampuchean People's Revolutionary Party, and the assistance of Vietnam, the Soviet Union, the socialist community, and progressive mankind.

Our Vietnam also is a nation, cherishing independence and freedom, that has many times sacrificed bones and blood for independence and freedom. The Vietnamese people therefore know very well to value the independence and freedom of other peoples. Nations, whether large or small, are equal and must be equal. Manifestations of large-country thinking and national discrimination are completely alien to the nature of our party and our army, and to the nature of Vietnamese people.

In the militant solidarity and close cooperation with Vietnam and Laos, and with the Soviet Union and other socialist countries, with the assistance of the revolutionary movement throughout the world, the Kampuchean revolution is steadily advancing and will surely be completely victorious.

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CSO: 4209/367

VINH PHU REPORTS ON ECONOMIC GROWTH

Hanoi NHAN DAN in Vietnamese 14, 15 and 18 Jun 84

[Article by Nguyen Thao: "Vinh Phu's Experience in Economic Management"]

[14 June 1984, p 2]

[Text] During the past several years, Vinh Phu Province has made considerable strides forward in the development of agriculture, forestry, industry, communications-transportation and circulation-distribution.

In 1983, grain output reached 364,000 tons, 4.5 percent more than planned and a 3.5 percent increase over 1982. The annual rate of increase in grain output has been 8 percent. In 1983, the province mobilized 85,000 tons of grain, twice as much as it mobilized during the years from 1976 to 1980. The production of the various types of food and annual industrial crops has developed at a high rate. The production of some perennial industrial crops has begun to be restored. Significant advances have been made in fishing, forestry and the raising of buffalo and cattle. In 1983, the cattle herd increased by 32,000 head compared to 1980. Significant advances have also been made in industrial and handicraft production. In 1983, the central enterprises located within Vinh Phu met 100 percent of their plan quotas and local industrial production increased by 4 percent. The communications-transportation, commerce, foreign trade, banking and finance sectors met and exceeded their plan quotas. The results described above, although only initial, have provided a number of valuable lessons, especially with regard to the province determining which steps it will take, improving its management and orienting development toward the formation of an industrial-agricultural-forestry structure within the province.

I. The Path of Coordinating Agriculture and Forestry

As was the case at many other places, Vinh Phu encountered many difficulties between 1976 and 1979, difficulties that at times seemed insurmountable. Agricultural production was affected by natural disasters during five of the six seasons. Total grain output during the 3 years from 1977 to 1979 only averaged 310,000 to 320,000 tons and paddy output had declined by 17 percent compared to 1976. Only 35,000 to 42,000 tons of grain were mobilized each

year, thereby leaving the province anywhere from 30,000 to 40,000 tons short of the amount required to meet its needs. The production of industrial crops had seriously declined. The supply of materials and goods had declined significantly. The supply of nitrogen fertilizer fell to slightly more than one-third and the supply of phosphate fertilizer dropped to one-fourth of what it once was. Compared to 1976, only 52.4 percent as many goods were being delivered to the central level and only 56.6 percent as many were being received from the central level. Should the province continue to rely upon the upper level and try to get by on sources of goods outside the province or should it move forward by relying completely upon the potentials of a midland province and developing them as effectively as possible? Vinh Phu decided to begin by developing the strengths that lie in its midland soil.

#### Focusing Efforts on Resolving the Grain Problem

Vinh Phu Province, which measures 4,626 square kilometers, consists of three distinct economic zones, of which agricultural land accounts for 37.4 percent and forestry land accounts for 36.4 percent; there are some 90,000 hectares of paddies and silt fields. A diverse crop mixture suited to each class of soil was established long ago in these various zones. In the lowlands are 30,000 hectares of rice fields on which a high level of intensive cultivation can be practiced. The sand bars and river banks are famous as sugarcane and banana growing areas.

The hillside zone, in which special product and perennial industrial crops are raised, is famous for tea, lacquer and pineapples. In the mountains, there is large potential for forestry production. In the past, Vinh Phu had a rather well developed agricultural and forestry product economy, which was rather highly concentrated in special product and industrial crop production zones. During previous peak years, Vinh Phu was producing about 1,000 tons of lacquer resin, 7,000 tons of tea buds, several tens of millions of palm leaves and hundreds of millions of pieces of nua bamboo.

Clearly, Vinh Phu has large potentials in its forest hills and strengths in the development of special product crops, export crops and crops that provide raw materials. The resolution of the 5th Vinh Phu Provincial Party Organization Congress pointed out: "We must focus our efforts on developing agriculture-forestry and make the greatest possible effort to increase the output of grain and food products in conjunction with strongly developing the production of crops that provide raw materials, special product crops and export crops to insure that the various processing plants, most importantly the agricultural product processing plants, within the province operate at increasingly high capacity and supply additional raw materials to the handicraft trades." However, to develop these strengths, it was first of all necessary to resolve the grain problem well. In keeping with the spirit of the resolution of the 5th Party Congress, the Vinh Phu Provincial Party Committee defined agricultural production, most importantly grain production, as the province's foremost task.

The greatest difficulty encountered here has been the unstable nature of grain production in the midlands. Crop failures occurred in four of every five seasons. Rice production on more than 10,000 hectares of lowlying and uneven

fields was still dependent upon the weather, still subject to drought during the hot summer and waterlogging during the rainy season. Crop varieties had seriously deteriorated. Rice yield never exceeded 2 tons per hectare per season. The failure of rice crops caused a shift to the cultivation of cassava. During the 2 years 1978 and 1979, Vinh Phu expanded cassava production to 22,000 and then to 24,000 hectares, from 7,000 to 9,000 hectares of which were forest land with a gradient of 15 degrees or more. Agricultural-forestry production was trapped in a vicious cycle. The Vinh Phu Provincial Party Committee conducted a thorough review of the situation and found: "Guidance is still based largely on guidelines and lacks specific plans and calculations." The remedy it decided upon was to attach importance to the intensive cultivation of rice and the intensive cultivation of subsidiary food crops. The province shifted from making sweeping investments, decentralizing its capital and utilizing supplies in an inefficient manner to centralizing its capital, investing supplies in key areas and employing the intensive cultivation of both rice and subsidiary food crops as the basic method for resolving the grain problem. The provincial party committee has concentrated on guiding the establishment of a 30,000 hectare high yield rice growing area in the districts of Vinh Lac, Phong Chau and Tam Dao, given priority to supplying this area with capital and materials, raised the efficiency of water conservancy projects and increased the supply of nitrogen fertilizer, potash and phosphate fertilizer, thereby raising yields within this area from 5 to 7-8 tons per hectare. Of the various measures involved in intensive cultivation, the province has concentrated on the three key elements, water conservancy, seed and supplies for production. Because it has only a small amount of capital available, Vinh Phu's immediate guideline is to resolve the irrigation problem by constructing numerous reservoirs and building additional medium and small-scale pump stations while developing the capacity of existing farmland water conservancy projects and pump stations under the guideline "the state and the people building water conservancy projects together." As a result, the amount of farmland irrigated has been increased from 60 to 80 percent. Solving the problem of waterlogging is more difficult in that it requires larger capital investments in projects; the province is resolving this problem gradually and seeking assistance from the central level while trying to mobilize local capital for the effort to alleviate waterlogging. The Cao Dai, Dam Ca, Hoang Hanh, Trung Vuong and Le Tinh Pump Stations which alleviate waterlogging in the Vinh Phu, Tam Dam, Phong Chau and Thanh Hoa rice growing areas and the outskirts of the municipality of Viet Tri that have been or are being built are concrete expressions of the step being taken in this direction. At present, drainage projects only alleviate waterlogging on 15 percent of cropland; in 1985 and 1986, when these pump stations are completed, it will be possible to alleviate waterlogging on 20 to 30 percent of cropland. Together with water conservancy projects, the province has established a mixture of rice varieties suited to the midlands and mountains and a seed production network that provides high quality seed. Through the exportation of agricultural and forestry products, primarily bananas, lacquer and tea (nearly 20,000 tons of bananas were exported during the past 3 years), the province has annually imported from 5,000 to 7,000 additional tons of nitrogen fertilizer for the intensive cultivation of rice, with priority given to its high yield rice growing area. As regards subsidiary food crops, the provincial party committee has focused its efforts on guiding the intensive cultivation of cassava and strongly

developing the production of corn and the various types of potatoes. Cassava constitutes 50 percent of subsidiary food crop output. The province has decided to stabilize its production at 15,000 hectares and initiate the intensive cultivation of this crop in order to curb the spread by cassava cultivation to land used in forestry. As regards corn, the policy of the province is to strongly develop the production of winter corn, using the high yield VML variety. As a result, winter corn production has increased rapidly, from a few hundred hectares in a pilot project to nearly 3,000 hectares in the districts of Vinh Lac and Tam Dao, thereby raising the total amount of area under the cultivation of corn within the province from slightly more than 10,000 hectares to nearly 14,000 hectares. As a result, although the amount of area under the cultivation of subsidiary food crops has declined slightly, subsidiary food crop output has remained stable. In 1983, grain output reached 364,000 tons, which roughly equalled the target that has been set for 1985 and represented a 64,000 ton increase compared to 1980. Grain output increased at the average annual rate of 8 percent. The province mobilized 1.3 tons of grain per hectare for the two seasons and met 40 to 80 percent of its grain needs.

Deserving of attention is that although the province has adopted correct guidelines and made many efforts, crop yields remain low. Average rice yield during the 5th month as well as the 10th month seasons is only 22 quintals per hectare, corn yields average 12 quintals per hectare and cassava yields average 75 quintals per hectare. Only one district in the province, Vinh Lac District, has managed to record a yield in excess of 6 tons of rice per hectare for the two seasons; recently, however, this district has been unable to maintain this yield. The comrades of Vinh Phu are in full agreement with the words of advice spoken by the chairman of the Council of Ministers, Pham Van Dong, during a visit to Vinh Phu: such low yields are unacceptable.

If the measures involved in the intensive cultivation of both rice and subsidiary food crops are carried out in a better coordinated, more urgent and bolder manner together with establishing and increasing the number of advanced model units and launching an intense emulation movement within agriculture, Vinh Phu will surely make greater progress on the grain production front.

#### Coordinating Agriculture and Forestry

The most important lesson that Vinh Phu has learned is that in a midland area, the grain problem cannot be resolved as a separate and distinct problem, that is, cannot be resolved by only giving attention to fields but not to hillside forests.

On the basis of summarizing production practices, the provincial party committee has adopted and gradually improved upon the guideline of coordinating agriculture and forestry within the province as a whole, within the scope of the district and within each production area and established the coordination of agriculture and forestry within an industrial-agricultural-forestry economic structure within the province. To increase the yield of rice in paddies, importance must be attached to afforestation, forest conservation and the planting of trees on hillsides. To develop the tremendous potentials that lie in the soil of the hillside forests, efforts

must begin in agriculture, mainly in resolving the grain problem and establishing the relationship between agriculture and industry. The concept of coordinating agriculture and forestry that the provincial party committee has adopted is of strategic significance to a midland province that has hillside land, mountain land, lowlands and land in sand bars and along rivers. This concept has been thoroughly implemented in the development of each crop and type of forest.

Resolution 24 of the provincial party committee on the use and management of the land in hillside forests has established the task of developing the hillside forest economy in the 1980's as "developing the production of some grain and food products in conjunction with strongly developing the production of tea, lacquer, pineapples, sugarcane, bamboo, plums, 'dien', thatch, apricots, pine trees, white eucalyptus, timber bearing trees, trees for firewood, trees for resin, fruit trees and medicinal plants to support the development of industry and export activities while serving the daily needs of the people."

Under the guideline of coordinating agriculture and forestry, the province has established an allocation of crops on hillsides and within forests for the 1980's under which tea cultivation will be increased from 7,000 to 10,000-15,000 hectares; lacquer production will be increased from 1,500 to 3,000 hectares; pineapple production will be increased from 1,200 to 2,000 hectares; 35,000 hectares will be under the cultivation of trees for use in paper production; 15,000 hectares will be under the cultivation of cassava; and 174,000 [as published] hectares of forests will be protected, improved or planted, which will include 100,000 hectares of commercial forests, 35,000 hectares of forests zoned for improvement and 41,000 hectares of new forests planted on bare ground and barren hillsides and mountains.

The province plans to cover all 41,000 hectares of bare ground with forests between now and 1990. In 1983, 3,000 hectares of new forests were planted. In 1984, an effort is being made to plant 5,000 hectares. From 5,000 to 7,000 hectares will be planted in each of the next 5 years. The primary measures being taken are:

--Completing the assignment of land and forests to cooperatives and having cooperatives accelerate the assignment of land and forests to cooperative member families for cultivation and protection by them. The province issues certificates to the persons who accept this land certifying their rights and responsibilities regarding it and their legal right to pass this land onto their heirs so that they care for and protect the forests with peace of mind.

--Strongly developing integrated businesses based on the coordination of forestry and agriculture to replace businesses based on monoculture. The province has determined that integrated businesses can be operated everywhere in the hills and mountains by coordinating agriculture and forestry, coordinating the production of annual and perennial crops. Every class of soil has crops that are suited to it. There can be land under the cultivation of forests at a state farm and land under the cultivation of industrial crops at a forestry site. In 1984, the province supplied the various forestry sites with capital to plant 45 hectares of tea. The Yen Son State Farm, which has

more than 120 hectares of tea and will eventually have a total of 500 hectares, has agreed to designate for improvement, protect and plant nearly 1,000 hectares of forests. During the past 3 years, the Van Linh State Farm, which has more than 600 hectares of tea, designated 14 hectares of nua bamboo forests for cultivation and harvested more than 10,000 pieces of nua bamboo. In particular, in the hills and mountains, widespread use has been made of inter-planting to cover the soil with vegetation to control erosion and increase the output of products and commodities. On land planted with forest trees that have not yet begun to produce shade and on land newly planted with tea and lacquer plants, upland rice, corn, cassava, cotton and ramie are raised as companion crops. Hillside peanuts are being raised as companion crops on land under the cultivation of cassava and industrial crop production has been developed at a rapid rate. In 1983, Vinh Phu Province, which once did not have the habit of raising crops on hillsides, planted 2,000 hectares of peanuts; this year, it has planted 5,000 hectares of peanuts.

--On the basis of the characteristics of each crop, the province has established a form of business and contract system suited to virtually all of the different types of crops raised on the hills and in the forests, such as tea, lacquer, pineapples and palms, and the planting and cultivation of forests.

--Reorganizing agricultural and forestry production: in those districts that have hillside forests, afforestation and forest inspection forces have been combined within the agricultural-forestry office of the district. Afforestation forces also serve the function of protecting and inspecting the forests. The forest inspection teams also participate in planting and protecting the forests. Agricultural cadres are also responsible for forest trees. Large forestry sites, forestry sites that once operated over a distance of 20 to 30 kilometers in two districts and found it difficult to guide forestry work and manage the forests have now been suitably reorganized. The Doan Ha, Thanh Son and Phuc Khanh forestry sites were each separated into two streamlined forestry sites because they were too large. Each forestry unit also manages 500 hectares of forests.

--Strengthening the material base of the forest industry: the province has established a forestry tree seedling corporation and various installations that procure seed for supply to cooperatives. Today, the province has a network of nurseries capable of producing 16 million seedlings per year. Practically every cooperative that is engaged in the forestry industry has a seedling nursery.

#### Establishing a Well Coordinated Mechanism and Policies

The guiding spirit of the provincial party committee has been to develop suitable forms of production and business while establishing the new management mechanism and, on this basis, establishing suitable management methods that closely link responsibility to the production results and rights of the laborer and thereby provide incentive for the laborer to work hard in production.

In 1978, the province issued a resolution on contracts for the production of tuberous subsidiary food crops, primarily winter crops, contracts that were subsequently expanded to the production of rice and then to hillside crop production, forest crop production, livestock production and the trade sector. The contracts for winter crops and livestock production are primarily family contracts. In the production of tea and pineapples in centralized areas, which are crops whose yield next year can be influenced by how they are harvested this year, the province has instituted contracts with groups of laborers. In the cultivation of lacquer plants, which are a type of crop from which sap can only be extracted before the sun rises, the province has adopted the policy of contracting with cooperative member families, with the length of contracts being set at 7 years (the life cycle of the lacquer plant) or 14 years (two crops). As regards forest crops, if the area is solid forest, contracts with specialized units and groups of laborers are used. If the forests are thin and scattered and if new trees are being planted at various sites, contracts with laborers are used; these contracts can be 10 to 20 years in length or longer, depending upon the life cycle of the forest crop. In addition, the province also encourages cooperative member families to raise tea, lacquer, pineapples and so forth in household gardens in order to make full use of their labor and provide additional products for society. The scattered, barren hills that remain can be turned over to cooperative member families to be planted with industrial crops or forest crops in accordance with the planning of their cooperative.

The establishment of the new management system has been closely linked to coordinating policies, such as the price, investment and procurement policies. Only by doing this at all places within the province and for every crop and species of livestock is it possible for the new management system to be effective. For example, when contracting with families for the production of subsidiary food crops, as a result of allowing cooperative members to raise peanuts as companion crops, allowing them to keep the entire product they produce and establishing reasonable peanut procurement prices, the rate of development of peanut production has increased rapidly. As regards lacquer, in addition to the new contract system, the province is also having an impact upon production by means of investment and procurement policies, such as supplying 500 kilograms of grain in advance for the planting of 1 new hectare of lacquer in a centralized growing area and using goods and grain to procure lacquer in two-way trade, as a result of which both the amount of area under the cultivation of lacquer and lacquer output have increased rapidly.

On the other hand, the new management system has been put into effect for tea and pineapple production but procurement prices are lower than production costs and grain either cannot be used in two-way trade or is only traded in amounts insufficient to meet the needs of producers, consequently, the production of these two crops has declined. Although the province allocates from the local budget 2,000 to 2,500 dong for the planting of each new hectare of trees, has instructed the districts in the hillside forest zone to establish a grain fund to support afforestation and sends to the districts all the revenues from forest production for investment in afforestation, in actuality, the amount of money being invested is only enough to buy seed, there is still a shortage of grain and the revenues from forest production are not significant.

As a result, the work of covering hills with vegetation is proceeding slowly.

[15 June 1984, p 2, 4]

## [Text] II. Closely Linking Industry to Agriculture Within One Structure

Vinh Phu is a province that has a rather well developed industry and communications-transportation sector. Within Vinh Phu are 110 enterprises, 37 of which are central enterprises and 73 of which are local enterprises. At present, the total output of industry and the handicraft trades amounts to 2.7 billion dong, accounts for 57 percent of the value of industrial and agricultural output and could be as high as 4.5-5 billion dong if production capacity were being fully utilized. Many enterprises employ rather modern technology and have large production capacity. If operated at full capacity, the Bai Bang Paper Mill can produce 50,000 to 55,000 tons of paper per year. The Lam Thao Superphosphate Plant, which recently put an expansion to the plant into production, has a capacity of 400,000 tons per year. The Vinh Phu Textile Mill has a capacity of 50 million square meters of cloth per year. The three tea processing plants of the Lo River Federation of Tea Enterprise alone have a capacity of 72.5 tons per day and require 25,000 tons of raw materials each year. The province has a high voltage power network that extends for a distance of 736 kilometers and includes 228 transformer stations, 13 of which are relay stations. Vinh Phu has a developed network of roads, river routes and rail lines that provide for convenient travel and transportation. The province has 4,094 kilometers of roads for motor vehicles, an average of 6.4 kilometers per square kilometer of territory; 106 kilometers of rail line; and 403 kilometers of water routes capable of handling ships of the 12,000 ton class.

During the years from 1979 to 1981, Vinh Phu's industry faced large difficulties. Only one-half of the electricity needed was being supplied. There was an acute shortage of raw materials and spare parts and only 50 to 60 percent of plant capacity was being utilized.

In the central enterprises, workers had received an 18.4 percent increase in wages but labor productivity had declined by 12.2 percent. In the local enterprises, workers had received annual wage increases of 6.5 percent but labor productivity had declined by 1.8 percent. The handicraft trades were developing slowly. Throughout the period from 1977 to 1981, the capital construction sector operated without planning, economic-technical plans lacked balance, the volume of construction was low, capital and materials were in short supply, construction was decentralized, returns from investments were low and there was much waste.

On the basis of the resolution of the 6th Plenum of the 4th Party Central Committee and Decisions 25 and 26CP and 146/HDBT, the Vinh Phu Provincial Party Committee has carefully examined the province's potentials, clearly defined the difficulties and advantages that exist, gradually eliminated the bottlenecks in industrial management and taken suitable steps forward.

## Rearranging and Reorganizing Production

In the process of reorganizing industrial production, the first step in which has been to bring order to production, the Vinh Phu Provincial Party Committee has re-examined these enterprises from a dialectical perspective, beginning by examining the production capacity of each enterprise and its production efficiency, the relationship among enterprises, the relationship between enterprises and the ~~as~~ that supply them with raw materials and the position of these enterprises within the unified economy. On the basis of investigating and ~~in~~ each enterprise in detail, the provincial party committee has formulated plans for reorganizing and rearranging the various production sectors.

As regards those enterprises that have unused capacity and experience a shortage of raw materials, a shortage that cannot be easily corrected by the locality, or enterprises which cannot continue to produce the same product and operate efficiently, the policy of the provincial party committee is to shift them to the production of other, more economically efficient products. The guideline that applies here is to produce products of high economic value for which raw materials and supplies are readily available. The Viet Tri Bread Enterprises, which formerly relied upon imported flour, now produces shrimp dumplings that are marketed domestically and exported. The Viet Tri Monosodium Glutamate Plant, whose production was previously based on sources of wheat flour and green beans, has now shifted to cassava flour and the production of exported shrimp dumplings. The pressed fiber board mill, which used to encounter difficulties due to the shortage of chemicals and wood, has been shifted to the production of pressed bamboo matting for the packaging of exports.

The process of reorienting the production of these enterprises has been the process of raising industrial standards, applying advanced technology, taking the initiative in establishing sources of raw materials and making the fullest possible use of old equipment. In this process, the provincial party committee has closely guided the preparations made for the steps mentioned above, especially the elementary and advanced training of workers. As a result, these enterprises have accelerated their production and introduced new products. Since shifting to the production of MSG by the new method, the Viet Tri MSG Plant has doubled its output and introduced a valuable export product, shrimp dumplings.

As regards inefficient production installations, primarily small-scale installations whose operations are counter-productive to the large-scale plants, the policy of the province has been to take them out of production and shift their raw materials to enterprises that have good equipment and produce more efficiently. While the province has a developed, well equipped tea processing network, a number of tea growing installations have also built scented tea processing plants that are crudely equipped, consequently, the quality of their tea is poor and production costs are high. For example, the Tam Dao State Farm raises both livestock and tea and has its own scented tea processing plant. The province has directed it to simply pre-process its tea and ship it to the Lo River Federation of Tea Enterprises for processing into exported tea. The Commerce Service also had a scented tea processing plant

but the quality of its tea was poor. The province ceased production at this plant and sent the raw materials it had procured to the Lo River Federation of Tea Enterprises. As a result, tea processing plants have obtained additional raw materials and additional work and the province has processed tea of higher quality to market and export. In 1983, the Lo River Federation of Tea Enterprises, through its ties with the province, processed nearly 100 additional tons of scented tea and black tea for exportation.

#### The Creation of Raw Material Production Areas

The establishment of a stable raw material production area that can provide a full and regular supply of raw materials to enterprises is an important requirement in reorganizing production and insuring that enterprises can operate at full capacity. The problem we faced was that the province has many high capacity, agricultural product processing enterprises that are managed by the central level but receive their raw materials from the locality while the distribution and exportation of their products, such as tea, canned fruit, sugar and MSG, are managed by the central level. In addition, this was only generating very small, insignificant revenues for the local budget. There were two approaches that could be taken. We could concentrate on building the raw material production areas of the local enterprises, which would lead to competing with the central enterprises for land on which to grow crops and for raw materials and gradually reduce the size of the raw material production areas of the central enterprises or we could build the raw material production areas of the central enterprises and build local raw material production areas, create province-wide raw material production areas and give number one priority to the raw material production areas of the central enterprises, thereby insuring that these enterprises begin to receive a full and stable supply of raw materials in the not too distant future. Vinh Phu selected the second approach. And, the provincial party committee has been working with the central sectors to resolve these matters concerning which a deadlock has developed with a view toward gradually establishing harmonious coordination between the interests of the central level and the locality, between the interests of the enterprises and the interests of the cooperatives as well as the farmers within the raw material production areas.

To date, Vinh Phu has completed the overall planning of the raw material production areas throughout the province and established a raw material production area for each enterprise; these areas include a 22,000 hectare area for the production of perennial industrial crops and special product crops, 15,000 hectares of which have already been established; a 7,000 hectare fruit production area, 3,500 hectares of which have been planted; 35,000 hectares of forests producing raw materials and 100,000 hectares of regrowth forests. In particular, the establishment of a raw material production area for each enterprise has played a large role in tapping the dynamism and initiative of enterprises and developing their impact upon raw material producers and has strengthened the relationship between workers and farmers. The Lo River Federation of Tea Enterprises has a tea growing area that measures nearly 6,000 hectares. This area, which accounts for 70 percent of the land under the cultivation of tea and the output of tea in the province, consists of 56 cooperatives in the districts of Thanh Hoa and Doan Hung and two state farms. A 2,000 hectare pineapple growing area has been established in the districts

of Tam Dao and Lap Thach for the exported canned goods plant. The raw material production area of the three paper mills consists of 35,000 hectares of forests in the districts of Thanh Hoa, Doan Hung and Phong Chau on the left bank of the Red River. A peanut growing area for the Ngoai Trach Oil Extraction Enterprise has been established in the districts of Vinh Lac, Tam Dao and Lap Thach. The raw material production area of the Dong Xuan Winery consists of the 16 villages surrounding the winery. The raw material production area of the Lien Son Food Product Processing Plant consists of the eight villages of Lap Thach District.

The establishment of raw material production areas has brought enterprises closer to the installations that produce raw materials. After it completed the planning of its raw material production area, the Lo River Federation of Tea Enterprises entered into contracts with the 10 cooperatives within the tea growing area in order to improve the old tea plantings that were deteriorating, thereby opening the prospect of restoring and developing the tea growing area. Under these contracts for the improvement of tea plantings, the federation has been providing capital, materials and technical guidance. The federation has also established ties with eight cooperatives within the area for the purpose of planting new tea plants, as a result of which 52 hectares were planted in 1983. The method being employed here is for the federation to take charge of technical design and the mechanized preparation of fields. The federation supplies tea seed, inorganic fertilizer, seed for crops that provide green manure and trees to provide shade for the tea plants. The cooperatives plant the tea, complete hillside terraces, supply organic fertilizer, manage and cultivate tea plantings and operate their tea business. In 1983, as a result of these ties, the Ca Dinh Cooperative, which has only 218 families and 350 laborers, correctly planted 22 hectares of new tea.

#### Economic Ties

Within Vinh Phu Province are 37 central enterprises and 73 local enterprises. At a time when the central enterprises have only been utilizing 60 percent of their equipment capacity but still have a rather large corps of highly skilled scientific-technical cadres and workers as well as much potential lying in their equipment, Vinh Phu has adopted the policy of establishing economic ties and joint businesses with any enterprises that are not utilizing their full production capacity in order to produce additional products and goods and support consumption and export requirements. The principle here is to create favorable conditions for these enterprises to complete their state plan; make the highest possible use of their machinery and equipment; harmoniously combine the interests of the enterprises and the interests of the province; and correctly implement the policies and regulations on product management, market management, prices and monetary and financial activities.

In 1983, as a result of establishing economic ties with 13 central enterprises, the province produced 37 new products worth a total of nearly 80 million dong, products which included raw materials for production, such as PVC powder and acetylene, but primarily consisted of consumer and export goods, such as canned fruit, pressed bamboo matting, shrimp dumplings, sugar, paper, laundry powder, tea, children's clothing, cotton blankets, wine, alcohol, matches, ornamental bricks and so forth.

The economic ties between the province and the enterprises are diverse and flexible. The province and the enterprise determine which products to produce and the output of the products produced through the ties established between them on the basis of the production capacity of each enterprise and the supply capabilities of the locality. For some products, the province and the enterprise have entered into a joint business in which both sides invest capital and share profits in order to introduce a new product. For example, in the construction of the acetylene shop of the Chemical Plant to supply acetylene to the factories and production installations within the area, the province invested 5 million dong and supplied several pieces of equipment while the Chemical Plant invested 6 million dong. For some enterprises that are not utilizing their full equipment capacity, the province has procured additional raw materials outside the area and turned them over to enterprises for the production of additional products. For example, by supplying additional raw materials to the Lo River Federation of Tea Enterprises, the province acquired 100 additional tons of scented tea and black tea for exportation; by supplying additional raw materials to the exported canned goods plant, the province acquired 5 additional tons of sweet and sour litchi for exportation; by procuring tre bamboo, nua bamboo and wood outside the area to provide raw materials to the paper mill, the province obtained 200 additional tons of paper; and by procuring whole pieces of nua bamboo outside the area for supply to the sugar mill, the province acquired 500 additional tons of sugar. There are also enterprises which, although they are not supplied with raw materials by the province, are supplied with grain and food products to provide between-shift meals at the enterprise, with the enterprise producing additional products for the province. By these methods, the province acquires additional products and the enterprise need not trade its products on the outside, thereby disrupting the market. The Lam Thao Superphosphate Plant and the Vinh Phu Storage Battery Factory, which once used to take their products to southern provinces and trade them for rice, now produce for the province an additional 4,000 tons of phosphate fertilizer and 300 industrial storage batteries, in exchange for which the province provides for the between-shift meals at these enterprises. In 1983, the province supplied to those enterprises that have economic ties with it 246 tons of rice and dozens of tons of pork for the between-shift meals of production workers. In 1984, Vinh Phu Province has expanded its cooperation in joint businesses and economic ties with 12 central enterprises, thereby raising the value of the goods produced under ties with enterprises by 100 million dong compared to 1983.

#### Creating Independence for Enterprises

One impediment and major difficulty facing the enterprises is that management provided through many levels and intermediaries does not enable the enterprise to take sufficient initiative in production or be financially independent and that management based on one agency supplying raw materials and another agency marketing the products that are produced puts enterprises into a passive position and prevents them from tapping the spirit of collective ownership of cadres and workers. Management through many different levels is cumbersome and ineffective and results in artificially high management costs. For example, paper mills must pay 1,200 dong for 1 ton of wood but the supply agency procures this wood from the producer at a cost of only 400 dong. One

ton of whole peanuts procured through the home trade sector costs the enterprise an additional 2,000 dong in circulation expenses. A situation thus develops in which enterprises are not concerned with raw material production areas nor do they give appropriate attention to the products they produce.

In the process of reorganizing production and together with planning the raw material production areas and rearranging production, the Vinh Phu Provincial Party Committee has conducted pilot projects in a number of management models, models that have enabled the enterprise to take initiative in its production and financial affairs, and then summarized and gained experience from these projects for use in guidance on a broad scale. The thrust of the pilot project has been to give enterprises the ability to take the initiative by improving the planning of enterprises, from the formulation of plans and the assignment of norms to the process of supplying raw materials and marketing products; establishing financial regulations for the enterprise on revenues, expenditures, the establishment of funds and profits; and defining the authority of the enterprise in its production, business and utilization of workers.

In 1982, the Ngoai Trach Oil Extraction Enterprise only produced 70 tons of peanut oil and exported several dozen tons of shelled peanuts. The primary reason for this was that the production process of the enterprise involved many intermediary levels and each aspect of production was controlled by a separate economic organization: the agricultural organization was in charge of production and the commerce organization procured and supplied peanuts to the enterprise. The enterprise delivered its processed product to the foreign trade sector. In 1983, when the province put all of the enterprise's operations on a contractual basis, the enterprise submitted 18 million dong in profits, produced 1,500 tons of oil and exported 500 tons of shelled peanuts. If the enterprise fulfills its plan on the submission of profits, it is allowed to keep 10 percent for it three funds. If it exceeds its plan, it may keep 70 percent of the extra profits for the three funds and submits the other 30 percent for inclusion in the budget. If it fails to complete its plan, the province deducts 10 percent of the profits it may keep for every 1 percent by which it falls short of its plan. At the same time, the province has assigned the enterprise complete responsibility for everything from investments, the procurement of raw materials and processing to exports. As a result of assigning a complete contract governing product norms and finances and reducing the number of intermediary levels by enclosing the production and circulation process within a self-contained system, the enterprise has brought about marked changes. It has concerned itself with its raw material production area from the very outset by investing in fertilizer for producers and using high quality goods to procure additional shelled peanuts, assigned an export contract with the foreign trade agency and has improved technical standards in order to make full use of its equipment capacity. As a result, in terms of product norms, the enterprise produced 150 tons of peanut oil, thus meeting 100 percent of its plan and exported 800 tons of shelled peanuts, 300 tons more than planned. In terms of financial norms, it submitted 24 million dong in profit, thereby exceeding its plan by 6 million dong. As a result, the enterprise has a rather large amount of money to reinvest in production.

At theLua Viet Paper Mill, the method employed is to contract for the submission of profits per ton of product and contract for a stable output of 950 tons per year. For every 1 percent by which output falls short of this norm, the profits kept by the enterprise are reduced by 10 percent. If it exceeds its plan, the enterprise is permitted to keep 70 percent of the extra profits if its raw materials were supplied by the state and 90 percent if it provided for its own raw materials. At the same time, all price compensation payments are incorporated in the wage fund and included in the calculation of production costs and the enterprise has been given the authority to directly procure raw materials.

The incorporation of price compensation payments within the wage fund and including them in the calculation of production costs and stable contracts on production output and budget payments based on ton of product produced have tapped the dynamism of cadres and workers and enabled the enterprise to increase its economic activity, save raw materials and supplies, compute economic efficiency in each job and, on this basis, produce more efficiently.

Through the development of agriculture in a manner closely linked to the development of industry, the province's intention of gradually building an industrial-agricultural-forestry economic structure can clearly be seen. The improvement of management within industry has opened fine prospects. However, the concern that has arisen from the pilot projects is can these practices be widely applied? Here, detailed guidance becomes a factor; however, there is also the matter of dividing management responsibilities between the central level and the locality and establishing effective and timely coordination between the central sectors and the province. As mentioned above, although the new contract system has been introduced in the tea and pineapple growing areas, price and investment policies have not had a timely impact. If the locality were given the responsibility for managing the processing plants in a manner closely linked to the raw material production areas and the medium and small-scale installations producing consumer goods and building materials so that it could utilize its labor and arable land in a more effective manner and accumulate initial capital on the basic level in order to create a centralized source of capital to be forwarded to the central level, the problem could be resolved. One weak area that must be discussed is the shortcomings in capital construction. The municipality of Viet Tri, which is one of the industrial centers of the country, should be built more rapidly, should be more beautiful, should reflect the unique characteristics of a municipality in the midlands. However, it is regrettable that capital construction, especially urban construction, has lagged behind. Not only has the municipality of Viet Tri been built slowly, development has been disorderly and even new construction projects, such as the athletic field, the theater and so forth, have not enhanced the beauty of the municipality, not because of the projects themselves, but because they do not blend in with their surroundings.

The capital construction sector lacks planning, lacks specific economic-technical plans and even lacks a strategic plan, consequently, its material base has not been strengthened for many years and it does not have full responsibility for the building of the municipality and cities. Anyone who visits Vinh Phu finds that the municipality and cities of the province are

still sleepy places that are not befitting the importance of a large province rich in potentials.

[18 June 1984, pp 2, 4]

### [Text] III. Moving Forward To Become the Masters of Distribution and Circulation

In conjunction with focusing its efforts on guiding production, the Vinh Phu Provincial Party Committee has been guiding the distribution and circulation sectors in an effort to control the flow of goods, control the flow of money, increase the sources of revenue, reduce expenses, solidify and strengthen the forces of socialist commerce and control the market, thereby helping to stabilize production and the standard of living, especially the standard of living of cadres, manual workers and the armed forces.

#### Taking the Initiative in Creating Sources of Goods

During the years from 1979 to 1981, the province encountered many difficulties in distribution and circulation when the supply of goods from the central level declined sharply at a time when local products lacked variety and there was a shortage of important products. In 1965, 10,000 tons of bananas were exported; during the years from 1979 to 1981, only 1,650 to 2,700 tons were exported. Our lacquer exports dropped from 300 tons to only 40 tons. Handicraft products lacked quality and variety and the value of these products being exported was still low.

What could be done to correct this situation? Integrated measures had to be taken by the party committee; however, investing in the production base in order to create products and goods through two-way economic contracts is considered by Vinh Phu to be the key measure in creating sources of goods and controlling the flow of goods. Correctly evaluating the economic strengths of the province, the provincial party committee charted the course for creating sources of goods and initial capital as making investments in order to develop the potentials of agriculture-forestry, the handicraft trades and existing industrial installations as quickly and efficiently as possible.

In grain production, in addition to the nitrogen fertilizer normally invested in production based on the number of tons of grain delivered in fulfillment of obligations and the agricultural taxes paid, the province also supplied 14,200 tons of nitrogen, 4,194 tons of phosphate and 1,200 tons of potash in 1983 to farmers for intensive cultivation to raise crop yields, primarily in the 30,000 hectare high yield rice growing area. The method employed here was to provide the cooperatives with these supplies in advance, at the very start of the production season, so that they were able to practice intensive cultivation; payment was made at the end of the season in paddy at the stipulated rate.

As regards industrial crops and special product crops, the province has been focusing its efforts on providing supplies and capital for investment in the production of crops of high economic value, especially export crops, such as tea, lacquer, bananas and peanuts, all of which have high export value and are

important export goods of the province. Through the Ngoai Trach Oil Extraction Enterprise, the province invested 500 tons of nitrogen in 1983 in the peanut growing area that lies within the districts of Tam Dao, Vinh Lac and Lap Thach. As regards hillside peanuts, which are raised as either a pure crop or a companion crop, the province uses trade goods to encourage farmers to raise peanuts.

In the lacquer growing area, if cooperatives expand their lacquer cultivation, the province, through two-way contracts, supplies them with grain and nitrogen fertilizer in advance, provides capital to support the clearing of land and preparation of fields and requires gradual repayment starting 3 years later when the plants are first tapped for resin. The Tho Son Cooperative in Tam Thanh District, which has a population of 1,500 and only 462 laborers, as a result of receiving 75 tons of grain in advance, receiving assistance from the state in the preparation of fields and receiving a number of other supplies, planted 150 hectares of lacquer during the 3 years from 1980 to 1982. The cooperative's lacquer resin output increased from 2.5 tons in 1979 to nearly 20 tons in 1983, or 22 percent of the province's lacquer output. Each citizen of Tho Son exports goods worth 80 dong in strong foreign currency.

Importance has been attached to economic ties between the province and the central enterprises and joint businesses between the province and associated provinces, between the province and scientific research agencies. In 1983, the province invested more than 30 million dong along with the central enterprises in the introduction of a number of new products of high value.

Many local enterprises have established economic ties with scientific research agencies for the purpose of creating sources of goods. The Ngoai Trach Oil Extraction Enterprise has successfully produced brake oil. The Thanh Ba Cement Plant has successfully produced white cement using raw materials available within the area. As a result of the adoption of correct incentive policies, the small industry and handicraft sector has reoriented its production toward developing potentials that lie in agriculture and forestry, making full use of the subsidiary products of the central enterprises and establishing ties in production, as a result of which it has begun to restore a number of traditional products and has introduced dozens of new products, such as ready-made clothing, jute bags, medicinal cotton, synthetic lacquer, imitation leather, hand milled sugar, beverages and so forth. With an investment of 4.3 million dong from the bank Phu Tho City alone introduced eight new products and raised the value of its handicraft products from 12 million dong in 1982 to 20 million dong in 1983.

As a result of investing in the production base in order to create sources of goods and implementing new management systems, Vinh Phu has begun to develop the large potentials of a midland province and an industrial province, having developed many agricultural products and industrial and handicraft goods. The quantity of grain mobilized has risen from 42,000 tons in 1980 to 55,000 tons in 1981, 72,000 tons in 1982 and 85,000 tons in 1983, 18.3 percent more than planned. Banana exports have increased from 2,700 tons in 1981 to nearly 15,000 tons during the 2 years 1982 and 1983. In 1983, 4,500 hectares of peanuts, which were once not even raised on hillsides, were planted and the province procured 2,500 tons. Our lacquer products have increased from 40

tons to the procurement of more than 100 tons in each of the past 2 years. In 1983, through the economic ties between the province and the central enterprises, the province obtained 37 new products worth nearly 80 million dong.

#### Controlling the Flow of Goods and Creating Sources of Initial Capital

It is difficult to create sources of goods but even more difficult to insure that the state controls the vast majority of important products.

Since 1981, under the policy of controlling goods at their sources, the province has been focusing its efforts on guiding the use of two-way economic contracts, expanding their use to all sectors, districts and cooperatives and virtually all important agricultural and food products. In 1983, in the midst of the decline the province used 12 main products consisting of nitrogen fertilizer, phosphate fertilizer, potash, diesel fuel, coal, cement, bricks, tiles and such essential trade goods as cloth of all types, bicycles, bicycle tires and tubes and so forth worth 240 million dong to trade with farmers for 17 grain, food and agricultural products worth 317 million dong (at state directed prices). Amidst circumstances that still involve many difficulties, the province has been making efforts to supply goods and materials to farmers under two-way contracts; under this effort, the quantity of nitrogen fertilizer supplied to farmers has exceeded the plan by 30 percent and the supply of other materials, such as diesel fuel, phosphate fertilizer and potash, has amounted to 80 to 90 percent of the plan. Essential goods have been supplied at the rate of 100 percent to 102 percent of plan quotas. Only the supply of coal and cement has fallen well below plan quotas.

In its guidance of implementation, the province has attached importance to the settlement of two-way contracts at the conclusion of each year to insure that contracts have an effect upon production and distribution-circulation. In 1983, when settling the two-way contracts for 1982, the province had to make payments for a debt of 800 tons of nitrogen fertilizer to the two districts of Lap Thach and Doan Hung. In 1984 [as published], the province had to make payments for a debt of 875 tons of nitrogen fertilizer to Lap Thach District, Phong Chau District, Doan Hung District, Viet Tri City and Phu Tho City; payments for a debt of 800 tons of phosphate fertilizer to three other districts; and payments for a debt of 172 tons of potash to the districts of Phong Chau, Doan Hung, Thanh Hoa, Yen Lap and Thanh Son while demanding debt payments for 5,194 tons of nitrogen fertilizer, 556 tons of phosphate fertilizer and 398 tons of potash from various districts, which they had incurred by taking receipt of these materials but not delivering all the products required.

As a result of major efforts made by the production installations, districts and province as well as the home trade, export, grain, supply, agricultural and banking sectors, Vinh Phu has established rather significant sources of goods and controls the vast majority of grain, food products and agricultural products. Practically all of these products are procured and controlled through two-way contracts.

The home trade and foreign trade sectors have also made numerous efforts to adopt improved, flexible procurement methods and use the goods they have procured to trade with farmers, thereby controlling the flow of goods and helping to manage the market. At a time when many of our primary products are coming from the household economy, such as 55 percent of lacquer and 95 percent of exported bananas, prices are constantly changing and private merchants are finding ways to buy goods, the use of procured goods in trade instead of putting large amounts of cash into the market insures that the flow of goods is controlled by us, helps to stabilize prices and insures the supply of essential goods to farmers. As a result of such procurements and trade, the province controls from 60 to 80 percent of the output of lacquer, exported bananas, beans and peanuts and the prices of these products are 10 to 15 percent lower than on the free market. Here, the Vinh Phu home trade and foreign trade sectors have made major efforts to improve distribution and circulation methods, tightly control the sources of goods, procure and trade goods at the right time and during the correct season and procure and trade goods directly with producers. At the same time, while procuring and trading goods, they have instituted the practices of procuring and selling all products that are available, thereby eliminating red tape for both sellers and buyers. In 1983, as a result of improving its procurement and trade methods and publicly posting both prices and procurement and sales procedures, the Am Thuong General Commerce Store procured a rather large quantity of grain, beans and peanuts. During the past several years, as a result of taking the integrated measures described above, not only has the output of products and goods increased, but the percentages controlled by the state have risen as well, to 90-95 percent of industrial goods, 80 percent of handicraft products, 87 percent of grain, 80 percent of ready-made clothing and 95 percent of medicine.

Due to making investments in the production base, creating additional sources of goods from the potentials of the locality and controlling the flow of goods and money, Vinh Phu has acquired goods to export and trade with other provinces, procured additional supplies and goods to reinvest in production and acquired consumer goods to serve the daily needs of the people. This also represents the first step in creating the initial capital of the province. In 1983, the value of export goods increased 8 to 10-fold compared to 1979-1980. By means of exporting agricultural products, Vinh Phu obtains 5,000 to 7,000 additional tons of nitrogen for crop production and several million additional square meters of cloth to serve consumer needs each year.

#### Unifying the Management of Supplies and Goods

One of the large difficulties that has been encountered in distribution and circulation has been that the sources of supplies and goods, already small, were also decentralized, with each corporation and sector controlling but a portion of the total. Coal, electricity, petroleum products and technical supplies were being managed and distributed by the corporations managed by the central sectors. The corporations and enterprises of the province as well as some central enterprises also controlled a significant quantity of supplies and goods, especially those enterprises and corporations that directly procure raw materials from and trade with the outside. For example, as many as six sectors were controlling and distributing nitrogen fertilizer for production.

The failure to establish unified management would have led to uncoordinated, unbalanced investments, volatility on the market and unavoidable, regrettable negative phenomena.

Exercising its right to be the collective master of the locality, Vinh Phu has unified the distribution and use of electricity, supplies and goods in accordance with the state plan. Goods and supplies have been put under unified management and uniform, province-wide rates of exchange have been established for supplies and goods traded with farmers, thereby preventing disruptions on the market. For example, within the province are many units that procure peanuts. The agricultural sector procures peanuts for seed, the foreign trade sector for exportation, the oil extraction enterprise for processing and the home trade sector for delivery to the central level; however, as a result of unifying management on the basis of establishing rates of exchange for procurements and trade, disruptions have not occurred on the market and we do not have the problem of some places procuring and trading at high rates of exchange and other places at low rates.

As a result of unifying the management and distribution of electricity, coal, petroleum products and technical supplies, we have been able to give priority in the supplying of energy and materials to the material production sectors, especially to the ministries and key projects. As a result, at a time when electricity, coal and so forth have been in tight supply, the Lam Thao Superphosphate Plant, the Bai Bang Paper Mill, the Vinh Phu Textile Mill and the Viet Tri Chemical Plant have maintained normal production operations.

Along with unifying the management and distribution of energy, supplies and goods and through the supervisory and inspection functions of the finance, banking and price agencies, Vinh Phu has unified the management of the economic activities of the enterprises and supply agencies that are directly subordinate to the central level and strictly complied with the regulations of the state on the delivery of products, the submission of profits for inclusion in the budget, prices, cash and so forth in order to maintain the economic order of enterprises. In 1983, the Vinh Phu finance sector fined enterprises 12 million dong for failing to deliver all the products required and for charging unreasonable circulation fees. The price sector reclaimed for the state 6 million dong resulting from enterprises arbitrarily raising product prices.

#### Building the Three Different Product Supply Categories

Against the background of many difficulties that regularly cause an imbalance between money and goods, between supply and demand and a need to closely guide distribution, Vinh Phu has been working to build the different product supply categories and improve the activities of the commerce sector within the province and the districts in order to insure the distribution of the goods in the various categories to the correct recipients with a view toward serving the daily needs of the people, especially cadres, manual workers, civil servants and the armed forces, better.

For 1984, the province has a total supply of goods worth 1.8 billion dong, of which goods supplied by the central level account for 39.5 percent and goods

obtained by the province itself by developing local sources of goods and through exports-imports, including procured goods, account for 38.5 percent, 3.5 percent of which represents goods obtained through economic ties and joint businesses and 18.5 percent of which represents imports.

On the basis of stabilizing the specific goods to be supplied, the province has built up the supply of goods and apportioned it as follows: goods supplied to cadres, manual workers and the armed forces: 30 percent; essential goods and goods sold on a normal basis to the people: 45 percent; and goods for use in two-way trade: 25 percent. While building the supply of these three different types of goods, the province has attached importance to establishing the proper relationship between money and goods among the three and given attention to the supply of essential goods to the people, such as cloth, table salt, kerosene, student paper and medicine, while maintaining an appropriate supply of goods for two-way trade. In 1984, in addition to the nine products that are sold at supply prices and the six products that are sold under ration standards to cadres, manual workers and the armed forces, the province has allocated 23 other products for sale to cadres and manual workers at directed prices, the total quantity of which equals 70 percent of the total wage fund of cadres, manual workers and civil servants.

To insure that the supply of goods is effectively utilized and distributed to the correct recipients, the province has attached importance to strengthening the material base of the commerce sector, strengthening the wholesale corporations and level III corporations and strengthening the marketing cooperatives in order to expand the commerce network while assigning to the districts comprehensive management responsibilities and additional management and professional cadres so that they are capable of operating under the new mode of business. The home trade sector, by taking delivery of all the goods supplied by the central level while developing sources of local goods and tapping the initiative of each unit, has provided a full supply of rationed goods to cadres, manual workers and the armed forces.

The finance and banking sectors, which have undergone marked changes, have begun to keep abreast of production and business activities in order to support them and fulfill state management functions. With local budget revenues exceeding the plan by 30 percent, the finance sector, having become the center to which state-operated revenues flow, has tightened its control of the delivery of products to the state, intensified its auditing of production costs and circulation expenses and implemented expenditure plans well, thereby promptly supporting the sectors and production units. The banking sector, which has made efforts to manage cash revenues and expenditures and support production, has sharply reduced the cash deficit rate compared to 1982, as a result of which expenditures have increased by only slightly more than 25 percent compared to that year. In particular, against the background of a sharp imbalance between revenues and expenditures, the banking sector has still made efforts to pay the monthly wages of cadres, manual workers and the armed forces and provide the cash needed to make procurements. The bank has successfully invested in the creation and development of sources of goods.

The major efforts that have been made by Vinh Phu in distribution and circulation have had a clear impact upon production and the standard of living

and will eventually stabilize the market. However, the supply of goods that the province has still falls far short of consumer needs. At times, there has not been enough goods to provide a regular supply, particularly to meet the grain standards of cadres and manual workers. At times, it has been necessary to make partial payment in cash to meet these standards, as a result of which cadres and manual workers have experienced difficulties and hardships in their daily lives. There are many problems regarding prices and the market that must still be resolved and socialist commerce is not truly the master of the market, does not control the market.

Although it has been solidified and strengthened in many ways, the socialist commerce network still does not meet the requirements of its task. The system of marketing cooperatives and credit cooperatives is still not as strong as it should be.

The home trade, foreign trade, finance and banking sectors lack the truly close coordination needed to create a system extending from the province to the districts and villages. The shortcomings and weaknesses in the organization and operations of the distribution and circulation sector have affected and impeded the effort to control the flow of goods and money and become the masters of production and distribution, the master of the market.

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## HEAVY INDUSTRY AND CONSTRUCTION

### S & T ACHIEVEMENTS, PROBLEMS IN CHEMICAL SECTOR DISCUSSED

Hanoi CONG NGHIEP HOA CHAT in Vietnamese No 72, Feb 84 pp 13-16, 24

[Article by Engineer Tran Dat, Department of Technology: "A Number of Results In the Scientific and Technical Activities of the Chemical Sector in 1983"]

[Text] Under the light of the 5th Party Congress, Resolution 37 of the Political Bureau on scientific and technical work and Resolution 51 of the Council of Ministers and with the direct guidance of the general department, our sector's scientific and technical activities in 1983 made new progress and scored a number of results.

#### 1. Scientific research and the application of the technical advances to production:

In accord with the plan, at the beginning of the year, the general department gave 43 topics to 23 units; of these, 25 were state-level topics and 18 were general department topics. Because of the struggle by the units to carry out things, 36 of the topics, including 23 state and 14 [as published] general department topics, were implemented and 84 percent of the yearly plan was fulfilled. Of the topics that were implemented, 10 were completed and put into industrial production. At the same time, three advanced technical projects were put into production, and they contributed to the successful fulfillment of the sector's 1983 plan.

In the two key scientific and technical programs managed by the state, four topics were completed, evaluated and put into production.

The Van Dien Phosphate Fertilizer Plant continued to improve the structure of the 50,000-ton furnaces. The plant used 200 tons of domestic anthracite coke produced by Thai Nguyen and imported coal to produce roasted phosphate fertilizer and compared this to using only Vang Danh lump coal. From this, it was concluded that Vang Danh lump coal can be used in place of coke, although efficiency is lower. At the same time, the project was put into test production, and this contributed to fulfilling the plant's 1983 plan.

The Institute of Industrial Chemistry finished test producing brake oil VII 3/2, producing 2 tons in 1983. From actual use, the product received a

good evaluation. During the first months of the year, the institute test produced refined phosphate fertilizer using the reverter furnaces at the Haiphong Cement Plant. It produced 1,300 tons of fertilizer and drew conclusions. Based on this, it sent a report to the state advocating that this type of phosphate fertilizer be put into production.

Chemical Technology Corporation 1 on Ho Chi Miny City carried on test production on the production line, producing 1500 l/batch bactericide. It is making preparations to review the project and put it into trial production in 1984.

Although a number of the topics managed by the state are still in the experimental stage, they have participated in supporting production and scored results.

In studying and test producing spare parts, for the first time, the Ha Bac Nitrate Fertilizer Plant has successfully test produced copper-phosphorous copper piston rings for the automatic regulators. During the fourth quarter of 1983, this contributed to increasing the capacity of the gas generating furnaces from 3,000 to 4,000 cubic meters of coal gas per hour. At the same time, pump 235 frames and wheels with a work pressure of 25 kilograms per square centimeter were test produced. Gassifier grates and aluminum pistons for air compressors were produced. Nitrogen absorption techniques were used with the CO<sub>2</sub> compressor cylinder sleeves, and copper solution separation techniques were used in the gas purification process. This reduced copper losses by 50 percent as compared with 1982 and contributed to producing 20,000 tons of urea.

In the process of mining 10,000 tons of ore, the Lao Cai Apatite mine carried on experiments to reduce waste and enrich Type-1 apatite ore. From the initial achievements, losses were reduced from 27.5 percent to only 10 percent and product quality was improved during the mining process.

In the three scientific and technical projects managed by the general department, six topics were completed and three technical advances were applied in production.

The Lam Thao Superphosphate Plant finished building a production chain to produce pure PA-type sulfuric acid. It has a capacity of 20 tons per year. In 1983, almost 3 tons were produced to support scientific research and control in production.

The Thuong Tin electric soldering iron factory continued to study and apply technical advances and used CT<sub>3</sub> Thai Nguyen steel to produce almost 400 tons of soldering irons.

The Southern Rubber Corporation improved the Dong Nai bicycle tire production chain (it mechanized shaping and used the rubber-dipping method instead of applying glue) in order to increase output and improve the quality of the bicycle tires. Also, it synchronized the Hoc Mon bicycle tire production chain and doubled production capacity as compared with before.

The Danang Rubber Plant perfected a bicycle tire production chain that has a capacity of 1 million tires a year, completing things 1 year ahead of schedule as compared with the plan. Because of this, the above units increased output by almost 1 million bicycle tires and 1.2 million bicycle tire tubes.

The synthetic paint factory finished constructing and installing a production chain to produce iron oxide from limonite. This has a capacity of 300 tons per year. The Duc Giang Chemicals Plant finished test producing pure chemicals ( $FeCl_3$ ,  $CHCl_3$ ,  $NH_4CH_3COO$ ) in order to put these into production in 1984 to support the economic requirements.

In organizing and developing a number of units, many efforts were made and notable achievements were scored. In particular, in just 4 months, the Chemical Industry Institute of Project Planning constructed and installed a roasted phosphate fertilizer production chain using electric furnaces with a capacity of 1,000 tons per year and began testing the project. However, because electricity has not been supplied continuously to test operate [the furnaces] and because economic and technical norms have not been gathered, testing must continue.

However, there are still a number of state-echelon topics--such as perfecting the polychopinen production techniques of the Disinfectants Corporation, and increasing coal gas output and quality at the Ha Bac Nitrate Fertilizer Plant--and four general department topics--AR recovery at the Yen Vien Oxygen Plant, production of pure chemicals at the Basic Chemicals Corporation, graphite electrode production at the Xuan Hoa dry cell battery factory and the use of rubber-dipping equipment at the Danang Rubber Factory--have not been organized or developed because of the lack of concern and guidance at the production installations.

In order to support research and development, last year, the general department invested 21.45 million dong. The research results used in production have increased the general department's value of commodity output 74.20 million dong and increased accumulations for the state almost 30 million don dong. Besides this, research and test processes have recovered 994,573 dong for the budget.

Technical control has been organized and developed in the various spheres, which has resulted in great scientific and technical activity.

## 2. Product quality:

Because production has encountered many difficulties concerning materials and energy, produce quality has fluctuated. Facing this situation, the general department and the enterprises have made a great effort to maintain the quality of many products. The sector's principal products such as ordinary superphosphate, roasted phosphate fertilizer, technical sulfuric acid, ammoniac, oxygen, synthetic paint, ink, electric soldering irons, ordinary alum, compound alum, fine flour, pure chemicals, pesticides and Hoc Mon bicycle tires have the stipulated quality. The quality of a number

of products such as dry cell batteries, HCL acid, Na<sub>2</sub>So<sub>4</sub> has declined and fluctuated. A number of products such as Sao Vang bicycle tires, carbide and urea have not reached the grade rate. Type-A carbide (Trang Henh) has reached only 33/71 percent; Type-C has increased 20-fold as compared with the stipulated norm. As for Sao Vang bicycle tires, the proportion of rejects has increased 2.2 times, and Type-1 urea has reached 33/85 percent. The units that produce the above products are continuing to overcome the objective and subjective difficulties in order to satisfy production requirements.

Standardization has also been promoted. The general department has issued 19 state and sector-echelon standards to the production enterprises. The units have organized things to maintain the rate of progress stipulated. Last year, three state standards (acetic acid, acetone, lead-start batteries) were formulated, arranged, checked and approved, and three sector standards (red iron oxide, carbide, oxygen tank control regulations) were drafted. The general department also participated in contributing ideas concerning eight standards of the Council for Mutual Economic Assistance. Along with making new standards, it also controlled the application of the existing standards. In general, the production installations have given attention to quality. But because production has undergone many changes, it has been very difficult to apply the standards.

Measurement has also made progress. In 1983, three production installations (electric soldering irons, Vinh Thinh chemicals, and Sao Vang Rubber) gave attention to measurement and installed 10-15 ton automobile scales and put them into operation to support production and business. State echelon measurement verification fulfilled only 40 percent of the plan; self-verification was better, fulfilling 70 percent of the plan. In general, measurement at the enterprises is still weak. The accuracy of the measuring tools are not in use in the production chain.

### 3. Establishing norms for materials:

The units have given much attention to setting norms for materials. To date, more than 150 principal norms have been fulfilled or reduced as compared with the plans. A number of production installations such as the Lam Thao Superphosphate Plant, the Duc Giang and Hai Hung chemicals plants, the Disinfectants Corporation, the Southern Rubber Corporation, the Viet Tri Chemicals Plant, and the Haiphong and Vinh Phu battery factories have reduced the norms set for losses of raw materials per ton of products and saved almost 11 million dong. Although it did not fulfill the norms, the Ha Bac Nitrate Fertilizer Plant made many changes and made clear progress as compared with 1982. However, there were a number of production installations (the Sao Vang Rubber Plant, the basic Chemicals Corporation, the Trang Kenh Carbide Plant, the Lao Cai Apatite Mine and the Giap Lai Pyrite Mine) that exceeded the principal norms. The main reason was that at these places, material controls and control regulations were not firm, labor discipline was loose, the equipment was damaged and was not repaired promptly and equipment use was not synchronized. These things resulted in materials and raw materials being wasted.

#### 4. Electromechanical control:

During the year, the general department sent major repair plans to 40 units. These included 5,082 projects, of which 243 were factory projects with the total expenditure being 85 million dong. Through the struggles of the units, 4,700 projects were completed and an additional 250 projects outside the plans were carried out. Altogether, 96 percent of the yearly plan was fulfilled, and the capital for major repairs reached almost 79 million dong.

Last year, electromechanical control underwent many changes. Many production installations took the initiative in trying to overcome the difficulties and did not wait for others. In particular, the Ha Bac Nitrate Fertilizer Plant carried out a large number of projects (680 projects) and actively solved various problems of great importance (replacing equipment 213, improving the gear boxes of the crushing machines in order to be able to use the existing bearings and improving the foundations of the ball mills at the thermoelectric plants and casting workshops and the high-pressure copper-phosphorous piston rings). Thus, in the fourth quarter of 1983, it kept the machinery in operation constantly.

The Sao Vang Rubber Plant concentrated on repairing the boilers, installing 13 more molding machines and vulcanizing bicycle tires to step up fourth-quarter production. The Disinfectants Corporation and the Van Dien Phosphate Fertilizer Plant actively repaired the equipment.

However, there are still a number of production installations (the Lao Cai Apatite Mine, the Giap Lai Pyrite Mine, the Battery Corporation and the Basic Chemicals Corporation) that have implemented few of the projects set forth in the plans. In particular, the Lao Cai Apatite Mine has fulfilled only 10 percent of the repair plan.

In general, electromechanical and equipment repair work is still in the position of having to deal with the immediate problems, the quality of the repairs is not good and many workshops have been in a state of disrepair for many years and have not been repaired and so production safety cannot be ensured.

#### 5. Labor safety:

Many factories are conducting inspections themselves and recording marks according to Circular 08 and checking labor safety. This has prevented accidents and improved the work places.

Heat, dust and toxic substance control has progressed well at a number of production installations. The projects to repair the electrical system and the lead recycling furnaces, to build a toxic lead dust suction system at the Cuu Long Battery Factory and a heat-control ventilation system at the Dong Nai and Sao Vang rubber plants and to improve the dust suction system at the Van Dien Phosphate Fertilizer Plant have improved work conditions for the workers. The general department has joined with the state organizations in inspecting labor protection and fire prevention and control

at many units and has provided many safety measures for the production installations. The inspection of the pressure-resistant equipment and boilers has provided prompt support for production and capital construction. In particular, at key production installations such as the Ha Bac Nitrate Fertilizer Plant, the Sao Vang Rubber Plant, the Basic Chemicals Corporation and the Trang Khen Soda Plant, dozens of damaged boilers have been repaired, inspected and put into operation.

However, there were a number of serious accidents in 1983. The main cause of these labor accidents was that labor conditions were not maintained, management was loose and there was a lack of supervision. A number of production and construction plans did not include labor safety measures. The problem that now exists at a number of production installations is that the equipment is old, there is a shortage of spare parts and repairs are not made promptly (Bien Hoa Soda Plant and the Van Dien Phosphate Fertilizer Plant). Also, poisonous gas is allowed to escape and pollute the surrounding environment. A number of production installations have put forth technical safety plans, but these have not been implemented seriously. Control is still loose at many places and the safety regulations are violated. This has led to a number of labor accidents and resulted in equipment being damaged, which has affected production and business.

Last year, the innovation movement did not show any vigor outside. At many production installations, the innovations became the practices of the cadres, workers and civil servants. Last year, the general department provided adequate documents (innovation statutes and guidance circulars) to the production installations to help the cadres improve their understanding and implement the statutes correctly. Although reviews have just been made at 14 units, last year, 466 cadres and workers participated in registering suggestions, and 399 suggestions were approved and used in production. These produced a profit of almost 4.2 million dong, and cash awards totalling 82,000 dong were given to cadres and workers who participated in making suggestions, improving techniques and rationalizing production. Many suggestions had scientific and technical value, supported production, promptly raised product quality and helped make use of the discards in order to produce new types of goods and economize on materials.

However, innovation activities are uneven. A number of plans have not given the proper amount of attention to this work and so they have not adequately mobilized the intelligence of the cadres and workers or carried out the tasks stemming from production requirements.

In general, scientific and technical work underwent many changes and made progress last year. The general department began establishing primary tasks for the sector's scientific and technical work and, based on the basic tasks of the general department, the production installations put forth tasks for their own unit.

Many research projects were promptly used in production. Technical control at the general department and at the production installations underwent many changes and gradually began to provide effective support for production and

business. From the practical experiences in organizing and guiding things, the following valuable lessons have been learned:

Scientific and technical work must be closely tied to production and business activities, and the production tasks and targets must be used as the basis.

The guidance provided to the production installations by the general department must be resolute, concentrated, effective and timely. Groups must be organized to monitor the production installations and work and regularly supervise the production installations to see that they maintain the rate of progress set by the general department.

The general department and production installations must boldly mobilize their sources of capital to support the sector's scientific and technical projects.

The functional units of the general department must propose many measures to help the production installations solve [the problems] promptly.

In organizing and guiding things, harmonious relations must be maintained, suitable mechanisms must be used and planning must be carried on and tied to synchronized projects on all the sector's work fronts.

In doing research, special attention must be given to experiments in order to ensure steady use of the technical advances in production.

In 1983, even though science and technology scored a number of notable achievements as mentioned above, there are still a number of problems that must be quickly solved in the coming period.

Last year, no specific policies or procedures bearing the unique qualities of the sector were put forth for submission to the state and trial use in order to raise science and technology to new heights.

A number of aspects of technical control, such as regulations and standards for setting technical norms at a number of places, are still loose and labor discipline is still poor. Even though the general department has made a great effort, transformation is still slow.

Equipment repair work at almost all the production installations is still passive, with the attitude being to [let others] handle things, the quality of the repairs is not good and machinery frequently breaks down suddenly.

At a number of production installations, the old equipment is broken and cannot be repaired in time and poisonous gases and dust escape into the air and pollute the work places and surrounding environment. Materials and fuel have not been supplied in the proper amounts and quality has not been maintained. These things have increased material losses and reduced product quality. At a number of projects, the workshops have not been repaired promptly and so it has not been possible to ensure safety during production.

The general department's budget for scientific and technical work is too small and cannot satisfy the requirements. Funds have not been distributed promptly, and they have been cut. Annual expenditures paid fulfilled only 86 percent of the state plan. Also, the full potential has not been mobilized to support the sector expansion targets.

In order to satisfactorily carry out the sector's political and economic tasks put forth at the 5th Party Congress, scientific and technical work must carry out the following urgent tasks:

Things must be organized to have eight projects apply the technical advances in production (high-level red iron oxide used to make dye powder for rubber, iron oxide from limonite, electric-furnace phosphate fertilizer, phosphate, VH 3/2 brake oil, microorganism insecticides and 50,000-ton per year furnaces) to support the sector's phosphate fertilizer and raw material projects and contribute actively to fulfilling the 1984 plans issued by the state.

The key scientific and technical projects, including the  $H_3PO_4$  separation, "vong hoa" rubber, formalin, spices and 20KA electrolysis bucket projects, must be organized and carried out well. The problems concerning electric-furnace roasted phosphate fertilizer and red phosphorous must be solved quickly in order to put the projects into production. The state should have policies to develop these technical advances.

In technical control, an effort must be made to maintain and raise product quality and reduce material losses for the key enterprises (the Sao Vang Rubber Plant, the Basic Chemicals Corporation, the Apatite Mine and the Vinh Phu Pyrite Mine). Regulation and norm control must be strengthened. Equipment maintenance and repair work must be strengthened and the intensive investment projects must be completed in order to increase production capabilities and ensure labor safety and industrial sanitation.

In electromechanical work, efforts must be concentrated on producing a number of types of equipment and parts that have never been produced before in order to support production and, at the same time, create stability for the coming years.

The formulation and arrangement of 29 state and sector-level standards must be completed, and an effort must be made to ensure that all the chemical products produced by the sector have standards by 1985. Also, the economic councils must be supported. Based on this, product quality must be raised.

Scientific and technical information activities must be closely tied to the production activities, and scientific and technical research must support both immediate production and long-term development forecasts. There must be international scientific and technical cooperation in research and production in accord with the projects proposed.

A number of procedures and policies must be formulated in accord with the special characteristics of the chemical sector, and the three synchronized programs (management and organization, economic levers, science and technology) must be closely coordinated.

## HEAVY INDUSTRY AND CONSTRUCTION

### PAST ACTIVITIES, FUTURE TASKS OF CHEMICAL SECTOR DISCUSSED

Hanoi CONG NGHIEP HOA CHAT in Vietnamese No 72 Feb 84 pp 1-5, 12

[Excerpt from Report Reviewing the Work Done In 1983 and In 1981-1983 and the 1984 Tasks and Work Measures: "Promote the Exploitation of the Four Capabilities, Struggle to Fulfill the 1984 Plan, the Heart of Which Is the Plan to Produce 400,000 Tons of Phosphate Fertilizer, and Increase Output, Quality and Results"]

[Text] Under the light of the resolution of the 5th Plenum of the VCP Central Committee, our sector is reviewing 1983 and examining the situation from 1981 to the present primarily as a means of reviewing the implementation of the state plan and the policies of the general department. This will then be used to evaluate the accomplishments as well as the existing shortcomings. Things will be analyzed and an effort will be made to find productive and effective methods of operating that are of [high] quality in order to ensure that the 1984 tasks are completed successfully and to put forth 1985 struggle targets.

#### Part 1

##### Review of 1983 Tasks:

In order to evaluate correctly the situation during the past 3 years, it is first necessary to examine our sector's situation in 1981 when we began implementing the 1981-1985 five-year plan.

In the general situation of a small-scale production economy, together with the serious consequences of the war against the United States--which we have not had time to recover from--the two wars against the Chinese hegemonists in the southwest and north and a sudden great reduction in outside aid, as in the other production sectors, production in the chemical sector in 1979 and 1980 dropped significantly. In 1979, output was equal to only 79.5 percent of that in 1978. And output continued to fall in 1980, equalling 85.7 percent of that of 1979 and 68.7 percent of that of 1978.

Along with the decline in production, there were also many shortcomings concerning organization, guidance and management. For example, capital construction was dispersed and was making slow progress. By the end of

1978, there were more than 40 projects that had not been finished, and many projects could not be completed and put into production. Scientific and technical activities were not related and did not support production practices. Cadre organization and training was slighted, and management was loose.

Using the lines and policies of the party, our sector advocated overcoming the idea of depending on others and the bureaucratic method of doing things, manifesting a "self-reliant, enterprising and scientific" spirit, actively exploiting the great potential within and outside the sector, coordinating and connecting the economy with the sectors and localities, promoting exports with the aim of generating foreign currency to import a number of materials outside those allotted by the state, balancing the plans using the four capabilities with the aim of fulfilling the plans satisfactorily and concentrating on the central tasks, which are to support agriculture, the standard of living and exports.

To implement the above policy, during the past 3 years, all the cadres and workers in our sector have continually made a great effort and exceeded the planned quotas set by the state.

Following up our success in fulfilling the 1981 and 1982 plans, in 1983--the 3rd year of the 1981-1985 five-year plan--our sector exceeded the planned quotas with results exceeding those of the 2 previous years. Production increased 30.3 percent as compared with 1980, and capital construction investments increased 1.5 times as compared with the previous year. The receipt-expenditure and labor productivity norms were fulfilled or exceeded.

Reviewing the situation last year and during the period 1981-1983, our sector made progress, gradually stabilized things on all fronts and made preparations for expanding in the coming years in accord with the general trend of our country's economy as affirmed by the resolution of the 5th Plenum of the VCP Central Committee. The main problem today is that even though our sector's production and construction have made progress, this is just the beginning, and [the progress made] has not been even, strong or steady. At a large proportion of the production installations, although output has increased, labor productivity has increased slowly (in 1983, the increase was only 0.7 percent as compared with 1982), and material losses have been high. Equipment utilization, product quality and enterprise outcomes are still low while many potential capabilities have not been exploited.

The success in fulfilling the plans in the past 3 years is due mainly to the fact that our entire sector, from the general department to the production installations, has developed a deeper and deeper understanding of the party's economic development and expansion line. Also, the cadres and workers have been mobilized and organized to manifest a spirit of self-reliance in using the innovations in the economic management mechanism in the specific conditions of our sector and of each production installation with the aim of overcoming the difficulties and increasing production.

Based on the above realities, under the light of the resolution of the 5th Plenum of the VCP Central Committee, we can extract a number of problems.

1. In the economic situation in which our country suffers from a serious imbalance, the materials supplied by the state are in short supply and [the supply] of many items has been reduced, this problem of balancing the plans using the four capabilities (have [materials] on the spot, economic cooperation and coordination, exports for imports and supply by higher echelons) has definite significance for fulfilling the plans. This is one of the basic guidelines for changing planning that was clearly pointed out by the party in the resolutions of the 3rd and 5th plenums of the VCP Central Committee.

During the past 3 years, the amount of materials supplied by the state has declined. In 1982 and 1983, the proportion of materials provided by the plans was equal to only 79 and 65 percent respectively as compared with 1981, or approximately 70 percent for all 3 years taken together. Facing this situation, if the old, bureaucratic ways of making and regulating the plans are adhered to, it will not be possible to fulfill the plans. We have boldly changed work methods and actively exploited the possibilities in order to supplement the materials supplied by the state and earned an additional 321 million dong, which is equal to 30 percent of the value of gross output for the past 3 years.

With different and incomplete norms, the production institutions have made use of many measures in order to exploit the various sources of materials and raw materials of units in and outside the sector and coordinated things with other units to help produce parts, repair equipment and provide means of transportation. Many production institutions have used various forms of economic cooperation and coordination in order to supply materials, raw materials and parts for production.

Preliminary calculations show that in 20 enterprises and corporations, during the past 3 years, relying on economic cooperation and coordination, materials and raw materials were balanced, and 10,548 tons of cleansers, 2,182 tons of insecticide, 9,838 sets of automobile and tractor tires, 735,000 bicycle tires, 1.97 million bicycle tire tubes, 26.9 million batteries, 97,000 kwh "accu," 2,899 tons of alum and 1,187 tons of soldering irons [gue han] were produced. The above products had a value of more than 120 million dong, which is an average of more than 40 million dong a year.

From the experiences gained by the units that have scored results in economic cooperation and coordination, the key problems are to select correctly the types of goods needed by the localities or sectors, to select correctly the places with foreign currency capabilities and, most important of all, to be aware of and overcome the obstacles.

Balancing the plans by means of the four capabilities is an essential and effective method that will enable us to free ourselves from doing things in a bureaucratic way, depending on the state and holding back actual capabilities.

2. Promoting research and putting the technical advances to use must go hand in hand with strengthening technical control and using the technical methods to build a base for expanding production. During the past 3 years, scientific and technical research has always been closely related to the production and development plans of the sector and of each enterprise and has contributed to overcoming the difficulties, such as replacing imported raw materials with domestic raw materials and adjusting and synchronizing the production chain in order to increase output and produce new products. The scientific and technical research has brought clear results: In 1982, 15 new types of goods were put into production and 1.1 million bicycle tires were produced, which contributed to increasing the gross value of output 22.5 million dong. In 1983, calculated separately, seven key items employed in production produced a commodity output value of 74.2 million dong and contributed to increasing accumulation by 30 million dong. Besides this, in the process of doing experiments, 994,000 dong was recovered for the budget. The results in test operating 50,000-ton/year roasted phosphate fertilizer furnaces using Vang Danh coal and the experiments done in producing insecticides using microorganisms have opened up a new path in producing phosphate fertilizer and insecticides to support agriculture. The above results show that our sectors' scientific and technical cadres have much knowledge and are familiar with actual production. The most important point is that we have concentrated on production experiments, which is the element that will bring practical economic results and directly support production.

Receiving the results of the studies done in the laboratories of the institutes, factories and institutes outside the sector, previously, research was done, but it was not possible to use the results in production. We have concentrated on guiding and unifying the experimental programs from the general department to the departments, institutes, corporations and enterprises in order to satisfy promptly and uniformly the requirements concerning organizing experiments and have close coordination between the technical cadres and skilled workers of the enterprises.

Reality has proven that only by concentrating on guiding the production experiments will it be possible to use the research results in production and ensure that scientific and technical research is related to production and provide good support for production.

Based on the above guideline, the scientific and technical research organizations, such as the Chemical Industry Institute of Project Planning, the Institute of Industrial Chemistry, Chemical Technology Corporation I and the Danang Chemical Industry Corporation, have not done just pure research. They have concentrated on conducting production experiments. In particular, the Chemical Industry Institute of Project Planning has manifested a spirit of self-reliance and drive, drawn up plans and constructed and tested the red phosphorus and electric-furnace roasted phosphate fertilizer projects in a relatively short period of time to support the expansion of production and simultaneously create conditions to enable the scientific and technical cadres to mature quickly through real experiences.

Along with promoting research and utilizing the technical advances, technical control must be strengthened. In particular, guiding repairs and equipment operation must be concentrated on. Because of handling these tasks well, the Lam Thao Superphosphate Plant has ensured the steady operation of the equipment, increased acid output from 180 to 200 tons a day and made it possible for the plant to exceed the plan by more than 20,000 tons of superphosphate in 1983. Because of strengthening equipment repair work and providing parts, raw materials and energy, in the final months of the year, the Ha Bac Nitrate Fertilizer Plant was able to keep the equipment operating constantly.

Something of great importance is that things must be done in strict accord with the techniques. It is essential that [people] not be concerned only with output. They must not ignore the technical procedures out of personal convenience or violate the regulations. At the same time, there must be detailed plans in order to ensure that in making major repairs, the requirements concerning quality and schedules are satisfied.

3. Expanding intensive investments, exploiting the capabilities of the enterprises and accelerating capital construction are active and effective ways to manifest the potential capabilities on the spot and enable the enterprises to expand without having to invest large sums. Many factories and corporations have stepped up and expanded intensive investments, added additional machinery, repaired, improved or expanded a number of workshops and perfected various pieces of equipment in order to balance and synchronize the production chain. They have done this with just a small amount of capital, they have not had to build much and they have done this in a relatively short period of time. This has greatly increased production capacity. For example, with the help of other units, the Rubber Corporation has designed, produced and constructed a bicycle tire tube system with a capacity of 1.8 million tubes a year at a savings of 2.5 million dong. In Starting with one automobile tire factory, the Danang Rubber Factory, using the above methods, has increased the output of bicycle tires. In 1983, it produced 700,000 tires. Together, the three rubber-products production installations increased bicycle tire output from 4.8 million tires in 1980 to 9.11 million tires in 1983. The Van Dien Phosphate Fertilizer Plant has adjusted the structure of the furnaces, which have a capacity of 50,000 tons a year. Last year, it produced an additional 4,500 tons of roasted phosphate fertilizer. Using the intensive investment method, we have an additional number of carbide production furnaces with a capacity of 4,800 tons per year if there is sufficient electricity and raw materials. Many other corporations and enterprises such as the Viet Tri Chemical Plant, the Hai Hung Chemical Plant, the Fertilizer Corporation, the Synthetic Plant Factory and the Basic Chemicals Corporation have added additional equipment and perfected the production chain in order to increase capacity or produce new products.

To expand intensive investments even more, the departments and institutes must help the production installations make investment plans, which must be submitted to the general department for approval in order to guarantee economic results and at the same time help carry out the procedures quickly.

The institute must mobilize the scientific and technical cadres, participate in helping the enterprises and emphasize the projects subordinate to the 15-million bicycle tires program at the Danang Rubber Factory and the Rubber Industry Corporation, alum expansion at the Hai Hung Chemical Plant, the Lam Dong Alumina project, the Tan Binh Chemicals Plant, the Bien Hoa Chemicals Plant, the Duc Giang Chemicals Plant, the Ha Bac Soda Plant and the Apatite Crushing Plant. At the same time, much attention must be given to intensive investments, and the capabilities of the chemical engineering element must be synchronized and increased in order to be able to produce equipment and parts to support making repairs and equipping the medium-sized and small-scale projects. As for a number of projects that have produced goods that were previously imported, studies must be done and the state must be asked to appropriate some of the foreign currency saved by reducing imports in order to import a number of parts and machines for capital construction and for these production installations.

Because of the special characteristics of capital construction, during the past few years, our sector has engaged mainly in intensive investment. And this will be the case in the coming years, too. Because of this, the enterprises have a very important role to play in stepping up the construction, improvement and expansion of their production installations.

The Lam Thao Superphosphate Plant has undertaken the task of installing machinery at a number of projects with the factory expansion project. Last year, it exceeded the plan by 7.1 percent and at the same time created conditions for the construction of "Bs" to fulfill the plans. The plant has produced acid and "adamit"-resistant concrete and supplied ~~this~~ for construction, supplying materials for the construction of 5,700 square meters of housing. Many other units have also made an effort to mobilize forces to participate in stepping up capital construction. These include the Lao Cai Apatite Mine and the Trang Khen Carbide Plant. This is a very effective method for exploiting the potential capabilities on the spot. It reduces the need to bring in forces from other places. At the same time, the enterprises can grasp the equipment situation immediately and control things more tightly. However, the tendency to slight capital construction at a number of enterprises, to assign inferior cadres to the Construction Section and to give little attention to providing materials and tools for capital construction and the failure to create conditions to enable the Construction Section and the construction "Bs" to maintain the rate of progress must be overcome

4. Guidance and control must be strengthened, uniformity and promptness must be ensured and cadre organization must be maintained in order to implement the plans, policies and procedures correctly.

The success in fulfilling the 1983 plan, just as in the previous 3 years, was the result of the great efforts made by all the cadres and workers in our sector. Above all, the central bases as well as the localities thoroughly understand the sector's tasks during the initial phase of the transition, with all of its difficulties and complexities, and manifested a

spirit of self-reliance in overcoming the difficulties and making progress. This success, which was closely related to the effective aid provided by the localities and the help of the state agencies and other sectors, solved many problems and allowed the production installations to fulfill the plans satisfactorily and give attention to the living conditions of the cadres and workers. The guidance and control of the general department was changed and, based on a thorough understanding of the party's lines and policies, correct policies, targets and measures were put forth. The guidance of the production installations made clear progress, manifesting a spirit of energy and creativity. Also, the departments and sections grasped the situation at the production installations more clearly and provided better help to the production installations.

Along with the advances made in concentrating on guiding the key tasks and key targets concerning fulfilling the plans, promoting scientific and technical research and stepping up capital construction as mentioned above, the general department and the production installations strengthened guidance concerning the various tasks such as the management of labor, materials and finances, gave attention to living conditions, implemented the policies concerning laborers, mobilization and emulation, strengthened controls and inspections and strove to create uniformity with specific standards in guidance and control. In particular, we concentrated on guiding cadre organization, made plans to rearrange production and gradually solve the problems and boldly and resolutely consolidated the key production installations and the production installations that had encountered difficulties in carrying out the tasks. Because of this, there was a clear change at such institutes as the Fertilizer Corporation, the Ha Bac Nitrate Fertilizer Plant and the Giap Lai Pyrite Mine.

The organizational rearrangement at the Lao Cai Apatite Mine has raised the concept of responsibility and the drive of the mine, enterprise and Construction Section and created conditions for handling tasks that are more tense.

The above advances show that we have begun to make effective use of the fundamental lessons concerning collective ownership and the development of integrated strength, which were clearly pointed out by the general secretary of the VCP. In particular, we have correctly arranged the important positions and the roles of the primary organizations and the masses and expanded economic cooperation and coordination in order to exploit the potential capabilities and make uniform use of the measures for providing ideological education concerning organization, economics and techniques.

## Part 2

### Guidelines, Tasks and Measures For 1984, Struggle Targets For 1985 and a Number of the Sector's Guidelines and Tasks During the Period 1986-1990

In 1984, along with implementing the state plan, we must prepare to hit the sector's 1985 targets and, at the same time, make preparations for the sector's growth during the period 1986-1990.

A. A number of the sector's guidelines and tasks during the years 1986-1990 and the following years:

Based on satisfactorily completing the tasks in the 1981-1985 five-year plan put forth by the Fifth Party Congress, in the next period (from 1986 on) our sector must make a clear change in developing the sector in order to create a firm basis for all-round and balanced development in the following years.

As for our sector's guidelines and tasks in this period (1986-1990 and beyond), we must concentrate on the following major problems:

We must strive to increase the output of all types of phosphate fertilizer and reach an output of 800,000 to 1 million tons by 1990, which is double the amount in 1985. The capacity of the Ha Bac Nitrate Fertilizer Plant must be increased 60,000 to 70,000 tons a year. Preparations to build a number of large-scale fertilizer plants (compound fertilizer and nitrate fertilizer) must be made in order to put them into operation after 1990. At the same time, the sector must participate in stepping up surveys or engage in cooperative production with Laos in order to have additional sources of potash fertilizer with the aim of increasing the number of types of fertilizer and improving the quality of the fertilizer. This must be done in order to satisfy the ever increasing needs of industry.

The inorganic materials production installations must be expanded by opening additional mines in order to produce chemicals and make materials for the economic sectors and for export.

Preparations must be made to build petrochemical installations so that when there are sources of oil, we can gradually become partly self-sufficient in raw materials to support the sectors that produce basic organic chemicals, nitrate fertilizer, compound fertilizer, insecticides, synthetic cleansers, chemical fibers and plastics for consumption. Preparations must be made to build a number of large-scale plants to produce soda and chemical fibers. With the concentrated investments of the state and the aid of other sectors, we must strive to satisfy almost all the phosphate fertilizer needs during the 1990s in order to support agriculture and have a number of raw materials for [producing] chemical fibers to satisfy some of the clothing needs of the people.

New spheres concerned with pharmacological chemistry, phytochemistry and microbiological chemistry must be formed, the potential concerning energy resources must be exploited and an important export program must be created for the sector.

There must be coordination between mechanized production and large-scale [production] with advanced techniques in the sphere of fertilizers, plastics, synthetic rubber and organic synthesis. A number of production federations or federated enterprises must be formed and large chemical industry zones must be created. And based on this, chemical industry towns or cities must gradually be built.

## B. Guidelines and tasks for 1984

The planned tasks given to us by the state are very heavy. In particular, the norms for processed phosphate fertilizer, apatite and batteries have increased greatly while the supply of materials and raw materials as not been balanced. In 1984, our sector must concentrate on satisfactorily implementing the state plans, the heart of which is the plan to produce 400,000 tons of phosphate fertilizer, and strive to increase productivity, improve quality and increase results. Specifically:

1. We must concentrate on stepping up the production of products to support agriculture, primarily phosphate fertilizer and insecticides, stabilize production and gradually raise output at the Ha Bac Nitrate Fertilizer Plant.

We must step up mining activities at the apatite, pyrite, serpentine, graphite, barite and manganese mines.

We must increase production quotas for raw material chemicals and basic chemicals (soda, sulfuric acid, carbide and alum) and a number of other chemicals in order to reduce imports. We must step up the production of products that support consumption, particularly batteries, cleansers, bicycle and automobile tires and paint.

2. We must increase production quotas, cooperate in processing goods for export, coordinate exports with the other sectors and localities and concentrate on rubber products such as tires for bicycles, automobiles, buses and trucks, other rubber products, fertilizer products, barite and storage and dry cell batteries. At the same time, we must make market surveys in order to export a number of other types of products and make preparations to implement the plans in cooperation with the countries that are members of the Council for Mutual Economic Assistance (CMEA).
3. We must continue to tie scientific and technical research to production and gradually include this in an economic accounting [system]. We must concentrate on supporting agriculture and living conditions, stress doing research on alternate sources of fuel, save materials, apply the technical advances in order to raise the equipment capacity use factor, ensure product quality and add new products.

4. We must increase intensive investments at the existing production installations in order to increase production capabilities, with the emphasis being on the installations that produce basic chemicals, fertilizer and rubber.

We must closely guide the rate of progress of the capital construction projects, particularly the key projects and, at the same time, make preparations to build a number of large-scale projects for later plans.

5. We must reorganize production and organize management in the sector, gradually eliminate bureaucratic management, strengthen cooperative

relationships and control the sector from the central echelon to the localities.

6. We must continue to make plans concerning scientific and technical strategy and formulate projects and plans for expanding the sector in the coming years. We must concentrate on making preparations for the 1986-1990 plan, formulate investment plans and economic and technical arguments and implement a number of experimental projects.

7. We must closely coordinate economics and national defense, strengthen mobilization and military activities and guide the units so that they do a good job of maintaining order and security and are ready to fight, especially along the northern border and along the coast.

Reviewing our sector's situation last year and during the period 1981-1983, it is clear that the progress made has enabled us to overcome many serious difficulties and fulfill the plans with greater and greater results each year. At the same time, we can clearly see the shortcomings and great challenges in implementing the 1984 plan.

Even though the results and advances discussed above are just the start, they are of great significance. They have helped us see the paths and methods more clearly in order to overcome the obstacles and shortcomings and move our sector forward.

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## HEAVY INDUSTRY AND CONSTRUCTION

### ACTIVITIES, PROBLEMS, TASKS OF CHEMICAL SECTOR REVIEWED

Hanoi CONG NGHIEP HOA CHAT in Vietnamese No 72 Feb 84 pp 6-12

[Speech by Le Van Duy, the head of the Chemicals General Department, at the Conference to Review the Activities of the Chemical Industry in 1983 and During the Period 1981-1983; date not specified]

[Text] At this conference, we have listened to sector reviews, heard reports discussing the special characteristics of the departments, institutes and production and capital construction units within the general department and listened to the many ideas of the localities on problems that are related to the organization, control and growth of the sector and on the problem of exploiting the potential of the localities. These are very beneficial experiences that will help enable us to study things together. It can be said that many lessons have been extracted and that there have been many valuable contributions. I hope that after this conference, the problems will be solved and that things will be organized and carried out in order to quickly disseminate these things to the entire sector and enable our sector to score even greater achievements and satisfy the ever increasing demand for chemical products and active forms for the national economy. In the coming period, it may be possible to organize other specialized review conferences to review such things as capital construction activities, scientific and technical activities, forms of economic activities and forms of cooperation between the central echelon and the localities.

Besides reviewing matters, I will talk about a number of problems and discuss the tasks that must be concentrated on, that is, supporting agriculture, expanding the sector and organizing and controlling things. We have entered the 4th year of the third five-year plan. An essential point that is quite pressing is that we must review and re-evaluate the work that we have done during the past 3 years. We must see where the achievements and weaknesses are and re-examine the remaining targets and tasks in order to complete the tasks in 1984 and 1985. At the same time, we must prepare the basic conditions in order to formulate plans to expand things during the period 1986-1990.

Above all, I want to say a little more about the completion of the sector's political tasks during the past 3 years. During the past 3 years, our sector exceeded the planned quotas given to us by the state by a rather wide

margin. In particular, this year, almost all the production and capital construction units have fulfilled or exceeded the planned quotas. In order to score these achievements, we have overcome many difficulties and hardships and striven to move forward. New difficulties have occurred hourly and daily and all of us (especially the directors and the secretaries of the VCP committees at the production installations) have had to struggle in order to score these victories, whose results have just been seen. This is something of which we can be proud. On this occasion, on behalf of the general department, I want to express great praise for the achievements of our comrades and units, from the research, planning, production and capital construction units to the functional agencies. These are the people who have made worthy contributions to our results today. When evaluating achievements, we rely on numerical data. According to statistical data, in the 1976-1980 plan, not only did the yearly average rate of production (according to the value of gross production) not increase but it actually decreased 1.03 percent. But in the period 1981-1983, the rate increased at an average of 6.8 percent a year.

Using 1980, the final year of the 1976-1980 plan, as a base, in 1981, the rate increased 16.5 percent and the state plan was exceeded by 11 percent.

In 1982, there was an increase of 28.77 percent as compared with 1980, and the state plan was exceeded by 10.5 percent.

In 1983, there was an increase of 32.28 percent as compared with 1980 and the state plan was exceeded by 12 percent.

These increases have come about in conditions in which materials, particularly foreign exports, have not improved and have even declined, with such materials including raw materials for insecticide, cleansers, solvents, dye powder, spare parts and substitute equipment.

These increases are also of great significance since efforts have been concentrated on the sector's key tasks such as expanding the sources of raw materials, including both types and output, and quickly increasing products to support agriculture. A number of chemical products such as filtered alum, diluted chlorine, fine flour, and sulfuric and hydrochloric acid have basically satisfied demand. The production of a number of consumer goods such as bicycle tires, batteries and cleansers has increased notably, and the production of export goods, processed cooperatively, has expanded.

Using 1980 as the base, increases were as follows:

Apatite: 1981, 218 percent increase; 1982, 132 percent; 1983, 241 percent.

Processed phosphate fertilizer: 1981, 103 percent increase; 1982, 105.1 percent; 1983, 113 percent.

Insecticides: 1981, 133.3 percent increase; 1982, 143.2 percent; 1983, 157 percent.

Bicycle tires: 1981, 145 percent increase; 1982, 148 percent; 1983, 193 percent.

Filtered alum: 1981, 115 percent increase; 1982, 162 percent; 1983, 170 percent.

Fine flour: 1981, 121 percent increase; 1982, 172 percent; 1983, 218 percent.

Batteries: From 1981 to 1983, the increase each year was 103.4 percent, which was equal to 180 percent of the plan.

Paints: 1981, 139.4 percent; 1982, 111 percent; 1983, 114 percent.

One of the guiding targets hit by our sector was to put a stop to the decline, put production on a stable and firm path and do things in accord with the spirit of the resolution of the 5th Party Congress and the resolutions of the 3rd, 4th and 5th plenums of the VCP Central Committee. These results did not come about by accident. As I said above, the results are due to the efforts, struggles and diligence of the cadres and workers in our sector. Things were achieved by depending on many subjective factors and many measures for guiding, organizing and carrying out things in an all-round way in every sphere.

Capital construction: Things have been guided and the targets have been hit in order to quickly put the projects into production. For example, at the Lam Thao Superphosphate Plant, the key targets were hit almost 1 year ahead of schedule so that it could accept production plans in 1984. At the Lao Cai Apatite project, the rate of progress has been stepped up and preparations have been made to build a sorting plant and open roads to load the overburden [at] the old and new sites. Many capital construction projects have been invested in intensively in order to increase output. These include the rubber production installations in the three regions and the carbide, fine flour, alum and sodium chloride production installations. The targets put forth have supported the sector's immediate and long-term political tasks.

Scientific and technical research and planning: Almost all the units in the sector have been given guidance in accord with concentrating on supporting production and development, with the specific contents being to replace some of the imported raw materials, fuel and parts and equipment and expand [the number of] products. The scientific and technical activities have been closely related to production and have contributed to advancing production. This way of doing things has exploited the capabilities of the experienced scientific and technical cadres at the production installations and supplemented the research work at the research organizations, which used to have little connection with production practices. A number of results have been thoroughly tested.

Control of all aspects has been given suitable attention. A number of problems have been studied promptly and summarized quickly in order to guide

things widespread so that things are in accord with the control mechanisms recently implemented by the state in accord with the specific situation of the sector and of each unit. These guidance methods have manifested two aspects:

The policies of the state have been quickly applied in order to step up production.

The passive aspects in the implementation process have been promptly overcome and corrected.

The key element in management--planning--has been used effectively in expanding the mechanism and giving the production installations the right to take the initiative, with the plans consisting of two parts (state and self-balance), in accord with the path of expanding production and coordinating the three interests. To do this, it was necessary to promptly untangle various aspects concerning wages, prices, finances and organization. That is, many concrete problems concerning policies and procedures were solved. During the past 3 years, this way of doing things has undergone many changes. The functional organizations of the general department have relied closely on the production installations and shown greater flexibility. The tendency for the production installations to boldly manifest the right to take the initiative in production and for the functional organizations to control, correct and guide things, overcome the difficulties and create uniform coordination has been manifested more and more in the sector's guidance and leadership.

A decisive factor with respect to the achievements and activities of our sector during the past 3 years has been our adherence to the effective use of the party and government in carrying out the political tasks of the sector during the first stage of the transition to socialism. This spirit has been manifested through the guidelines, tasks and steps of the sector in the 1981-1985 five-year plan, which I have explained to you many times. During the past 3 years, we have developed these guidelines satisfactorily and seen that they are correct.

The problem of concentrating investments on expanding raw materials: We have stepped up the extraction of apatite, pyrite, phosphorous and serpentine. The use of other raw materials such as limestone, barite, chromite, boxite, graphite, salt, "nuoc ot" and various types of vegetable oleoresins such as rubber seed oil, pine oil, "oyster" oil [dau trail], bipterocarpus alatus, t - - - - - and mu-oil has been expanded. The use of these substitute - - - - - and this expansion has contributed not only to stabilizing production - - - also to developing and expanding many types of goods during the past several years.

The problem of investing intensively in order to improve techniques and equipment and step up production: The intensive investment guidelines have been implemented effectively at almost all the units in the sector, with this manifested most clearly in the fertilizer and rubber industries. Using these measures, fertilizer output has doubled and the output of bicycle tires has increased from 6 million to 15 million tires.

The matter of strengthening economic ties in order to exploit the potential of the central and local industries to support increasing the production capabilities of the sector that the state plans have not balanced: The potential here is very great. This is one of the measures in the sector-balanced plans. In fact, at many production installations during the past 3 years, the self-balanced plans have accounted for 30 to 60 percent of the total plans implemented. Coordination and cooperation have gradually become more intensive and concentrated in the various spheres, with the main emphasis on supporting agriculture and living conditions. All the tasks, from extracting the raw materials to processing products have been coordinated. Expanding the coordinated spheres like this has opened up paths for coordinating things and managing the sectors in the future.

**Making preparations to step up exports:** We have a policy of having exports move from small to large, from low to high and from exporting only a number of simple products such as bicycle tires to exporting many types of products such as gloves, purses, elastic and ore such as apatite, graphite and barite.

Now, I would like to turn to another matter so that you can think about it and take steps to carry out things in the coming period. This is the matter of developing the chemicals industry. I would like all of you to think about this and participate in developing a strategy for developing the sector. I would like you to adhere firmly to the resolutions and lines of the party and transform them into sector procedures, guidelines and policies in order to organize and carry out [the tasks].

Present here today are leaders of provincial and municipal industrial services that have ties to the chemical industry. We know that you want to learn about the guidelines and participate in building the sector. Because of this, I would like to discuss a number of matters concerning the expansion of the sector during the transitional period, the heart of which is the period 1986-1990 and the following years.

As you know, the 5th Party Congress affirmed that the decade of the 1980s is just the start and that the leading task is to advance agriculture to large-scale socialist production within a rational agro-industrial structure. The period from now until 1990 is a very important period. Every means available must be used to bring about a fundamental change in the economic situation and ensure economic and social stability. At the same time, every effort must be made to prepare the preconditions and forces in order to step up socialist industrialization on a large scale in the coming years. This spirit must be thoroughly understood in our sector's operational guidelines and guidance [activities]. I believe that this spirit has been clearly manifested in the targets and steps of the party. From this, we must concretize things in the development lines of the sector.

#### A. Problems That the Chemical Industry Must Solve

##### I. The division of labor and the structure of the chemical industry:

In the process of rearranging production, we have made many presentations to state agencies and the Council of Ministers concerning forming the chemical industry in accord with the structure of the economy. In those draft plans, in order to have a chemical industry with a perfect structure, the industry must be divided into a number of sectors as follows:

1. Mined Chemicals Industry
2. Chemical Fertilizer Industry
3. Pharmaceuticals Agriculture Production and Processing Industry
4. Basic Inorganic Chemicals, Raw Chemicals and Pure Chemicals Industry
5. Rubber, Plastics and Chemical Fiber Production and Processing Industry
6. Paint and Printing Ink Production Industry
7. Cleaning Material and Fragrances Producing Industry
8. Industrial Gases (oxygen, nitrogen, acetylene), Carbide and Solder Production Industry
9. Electro-Chemical Products Industry (dry and wet cell batteries)
10. The Chemistry-Microbiology Industry
11. The Silicate Industry (cement, industrial glass and fire and acid-resistant brick)
12. The Phytochemical Industry (oil, resins and essential oils)
13. The Drug Industry
14. The Chemical Formulation [?] Industry (chemicals engineering)

The early forming of a rational structure is a condition for quickly stabilizing and expanding production.

#### II. Organization and management in the scientific and technical sector:

Naturally, a chemical product or chemical project does not have to fall within the scope of a single ministry or general department but can fall within the scope of various ministries or the localities depending on the division of labor and decentralization. However, control depends on the economic and technical sector. For many years now, in managing things according to the economic and technical sector, even though tasks have been put forth and assigned, suitable attention has not been given to this. Here, I am certain that the local cadres are aware of this and know the reason for this. In order to solve this problem, I think that we must spend some time discussing the problem thoroughly. In particular, when carrying out the division of labor; decentralization and the reorganization of production, we must build a control mechanism based on the special characteristics of each economic and technical sector and have unified guidance from the state to the ministries and localities. Concerning this problem, in the socialist countries, it is clear that the ministries are responsible for the general production plans of the sectors from the central echelon to the localities and that the localities are responsible for the production sectors located in their sphere of control. Recently, we formed a number of product groups such as paint, rubber, fertilizer, cleansers, and chemical materials in order to implement management based on economic and technical sector divided by zone. This is the correct path for carrying out the tasks of the economic and technical sectors. However, discussions must continue in order to perfect the control elements so that policies and procedures can

be formulated and submitted to the state, which will review them thoroughly and organize their implementation. There must be policies on control forms, scope and norms, including control policies, investment policies, expansion policies and so on. I think that after this conference, we can conduct tests with one or two product groups and form a control mechanism between the central echelon and localities depending on the economic and technical sector and the zone. Perhaps the rubber product group can be tested first.

### III. The formation of production organizations within the scope:

Having a rational organizational mechanism will make it possible to stabilize and expand production. In the past, we have discussed things with the state agencies many times. We have defined and formed production installations with the aim of avoiding dispersion. Production subsections have been formed in order to have specialization. And these subsections can help each other in order to exploit every potential. The purpose of this is to allow them to manifest their independence in building projects and formulating expansion plans. Very soon, a number of enterprises and corporations will be organized into federated enterprises. In the immediate future, we can form about 10 federated enterprises by zone. The rest will be independent enterprises. These will operate according to the principle of two-tiered control--ministry and federated enterprise (independent enterprise). Also, a number of scientific and technical research agencies and planning organizations will be formed into a science and production federation. Thus, we must study the elements, limits of authority and responsibilities of the federated enterprises and subordinate enterprises so that this is consistent with manifesting effects based on the above spirit and is not just a name change or organizational merger. The strengths and weaknesses of the organizations in the past period must be extracted. The ownership rights of the bases must be manifested, and the administrative [role] of the functional agencies of the general department must be reduced in order to strengthen staff and management activities. Thus, in order to form an all-round project for the chemical industry, we must simultaneously organize the sectors, form a sector structure and build a control mechanism. This is an important and pressing task that requires the guidance and help of the state agencies. At the same time, we must think deeply about this and make contributions, too, in order to formulate a "policy for expanding the chemical industry in our country."

### IV. The sector's steps during the period of transition:

To manifest the spirit of the resolution of the 5th Party Congress and the resolution of the 5th Plenum of the VCP Central Committee, during the 1980s the chemical sector must concentrate on the following:

1. It must step up the extraction, use and processing of domestic raw materials in order to replace or lower imports, stabilize production and expand the sector. Even though we do not yet have sufficient raw materials (particularly oil and gas) to expand the sector in all aspects, with our present production capacity, if we have correct policies and good measures, we will be able to provide some of the raw materials needed to replace

[imports] and expand production in a number of spheres, particularly inorganic chemical materials and phytochemical materials, and contribute to exports. Clearly perceiving the importance of this, we have made many changes in organizing and implementing things. In the coming period, this must be stepped up even more. With the existing sources of such raw materials as apatite, pyrite, serpentine, coal, boxite, graphite, chromite, imenite, sodium, clay, kaolin, minerals, resins, oils and essential oils, we can produce many valuable chemical products. Many countries that have only limestone, coal and sodium have formed a developed chemical industry. With our conditions, concentrated investments to extract the domestic raw materials and process them into chemical products must be given more attention.

2. The sector's existing capabilities must continue to be exploited in order to step up production.

As we all know, an objective weakness today is that the utilization of production capacity (machinery, equipment, laborers), both central and local, is still low, averaging 35-45 percent. Because of this, the immediate task is to exploit the existing potential of the entire sector. During the past few years, in the self-balanced plans, even though we have tried to increase value significantly, on the average, only about 30 percent of the entire plan has been fulfilled. This was pointed out just recently at a number of installations and production bases, and as compared with the existing capacity, little has been achieved. The resolution of the 5th Plenum of the VCP Central Committee points out that the exploitation of the four capabilities has been utilized and implemented by our sector but that now this must be stepped up even more. During the past 3 years, we have done a number of things. In the coming period, we must become deeply involved in the following:

a. We must seek out all capabilities (extract raw materials, obtain materials and coordinate production and processing both here and abroad) in order to step up production. This is a decisive measure for making use of the existing capacity.

b. We must make intensive investments in order to perfect and synchronize production equipment. At the production installations at present, many types of equipment have not been synchronized, and this has led to passivity and waste in bringing in raw materials and shipping out the finished products. This has had the effect of limiting capabilities somewhat since things have had to be re-examined and the equipment and production chain have had to be arranged in accord with the production tasks in the best way possible (in the storage and dry cell battery sector, for example).

c. We must step up production [and produce] enough chemical products to make raw materials and additives for the sector, reduce imports and, at the same time, contribute to increasing the output of the sector's main products. At present, for many types of chemical products such as dye powder for paint, rubber, additives, poisons for insecticides and sulfuric and hydrochloric acid for the production of phosphate fertilizer, we have the capacity to

satisfy needs both in and outside the sector, but we have not given adequate attention to this. In the coming years, we must solve this problem completely.

3. We must prepare to use advanced techniques in order to build the sector's new, key projects.

In order to have a basis for strongly expanding the sector, beginning now, we must urgently make preparations for a general expansion of the sector. This includes scientific and technical and economic development strategies. Based on project zoning, chemical product economic zones of immediate and long-term importance must be built. At present, the state is very concerned about this problem since it is the basis for balanced and steady development. Our sector is making preparations and will soon use the abundant ideas of the central and local management and scientific and technical cadres. Recently, throughout the world, the technical standards and scale of production for chemical products have made great strides forward while our production has remained inferior and small in scale. Because of this, our task is to shorten that separation. This means that there must be great changes within the sector and that cooperation with other countries, particularly the Soviet Union and the other socialist countries, must be promoted. Above all, we must make good preparations for the cooperative projects agreed on by our government and the Soviet Union. For our sector alone, these include various large-scale projects such as the nitrate fertilizer plant, soda plant, cellulose-viscose thread plant, automobile tire factory and oil refining projects.

Building projects and expanding the sector requires that each unit subordinate to the general department and the localities take responsibility and study the development contents and guidelines within the sphere of their bases to see what things are like concerning technical standards, scale and types of products.

Comrades, above, I have discussed the general problems, particularly for building a chemical industry, so that from this, we can determine what steps to take and how to organize and control things in order to create a basis for determining the contents of development of our sector. Now, I want to discuss a number of specific problems concerning our sector's tasks in the coming period.

V. Concentrate on fulfilling the sector's political tasks during the period of transition:

1. Priority must be given to developing chemical products to support agriculture.

Our sector has determined that the task of supporting agriculture is the leading and central task during the development period. We must produce various types of fertilizers to satisfy the needs of agriculture concerning types, quantities and quality. Thus, we must make plans to build large-scale plants to produce NP or NPK fertilizer. At the same time, the existing

plants must be improved in order to raise quality in processing seed, ammonia, etc.

The production of insecticides will be stepped up, particularly those types made from domestic raw materials. At the same time, research will be promoted in order to produce new products, with the aim being to have additional insecticides for agriculture in conditions in which sources of petrochemical materials are lacking. As for other chemical products to support agriculture such as [animal] weight and growth stimulants and feed supplements, we will soon have the capability to satisfy requirements.

2. The promotion of basic inorganic chemicals and raw chemical products must be stepped up.

Chemical products such as soda, acids and inorganic salts to support the various economic sectors are products that our sector must make an effort to produce in the coming period in order to gradually satisfy the needs. This is because these are products that can be [produced] mainly from domestic raw materials in small-scale and medium-sized production conditions. Since the state has a policy of investing to exploit the sources of raw materials and since the scientific and technical sector control factors have been implemented, the capabilities for producing these chemical products should increase very quickly. Along with producing basic chemical products, special attention must be given to chemical products for national defense.

3. The production of consumer and export goods must be stepped up and expanded.

This problem is closely tied to the standard of living. Today, throughout almost the entire world the chemical industry is providing most of the chemical products for consumption, particularly since the expansion of the petrochemical industry. Today, our sector, too, is participating in carrying out this task. Even though we do not have many products and quantities are limited and even though we have not fully exploited the capabilities, we do have measures to satisfy more and more [of the needs]. For example, the production of bicycle tires has increased from 5 million tires to 10 million tires and very soon capacity will increase even more. In the past, the yearly output of flashlight batteries was set at 20 million batteries, but this must now be increased to 70 million. These are products that can gradually satisfy the needs. However, we must also strive to increase the production of other types of products such as cleansers, "vec-ni" paint and resin and rubber products.

Another problem that lies on the path of development and that is the responsibility of this sector is the problem of providing clothing for the people. It can be said that to date, we have not provided raw materials for the textile [industry]. Except for a number of types of materials of low output such as silk, every year the state has to import fiber for weaving. Providing clothing for the people is a major policy of the party. The production of fiber is complex and requires high technical standards and a chemical industry that is strong enough to supply raw materials. At the same time, there must be a large and stable source of energy. In

In previous years, we had many problems and could not solve them. Today, these problems, such as sources of raw materials, have gradually been solved at a time when we still don't have a petrochemical industry. In the past period, we have exchanged [ideas] many times on solving this problem and concentrated on viscose thread from wood, vinylon thread from limestone and coal, which are domestic raw materials. This state has supported these two directions. The task now is to carefully prepare economic and technical plans for presentation to the state, which will organize their implementation.

As for exports, our policy is to proceed from small to large and to move from exporting goods indirectly--by processing goods for other countries and producing chemical products domestically to replace imports and save foreign currency for other targets--to large-scale forms with the target being to balance imports and exports, with "exports supporting imports," at a number of industries where this is possible and gradually expand this to the entire sector. Because any production installation that wants to stay in business and expand must strive to produce export goods. This is also a guideline for raising the sector's technical standards.

#### VI. Major tasks that must be carried out in 1984.

Part 2 of the Review Report presented the all-round plan for 1984. I want to emphasize a few more points.

1. We celebrate the 15th anniversary of the founding of the Chemicals General Department in 1984. This is also the year that the state has entrusted us with the task of producing 400,000 tons of phosphate fertilizer, which is equal to the norm set by the 5th Congress for 1985. This is a major matter for our sector. It is a responsibility and an honor, and the entire sector must participate in carrying out this task. On behalf of the leadership of the general department and the trade union, I want to launch a critical emulation movement to fulfill the 1984 plan in general and the plan to produce 400,000 tons of phosphate fertilizer in particular and to score achievements in commemoration of the 15th anniversary of the founding of the general department. All units in the sector must formulate concrete action programs in order to contribute to carrying out this task.

2. The rearrangement of production must be expanded, the production installations in the sector must be organized, attention must be given to soon forming zonal federated enterprises in a number of industries with adequate conditions and, at the same time, reports on the sector's division of labor and decentralization must continue to be submitted to the state in order to soon stabilize things and have projects, especially in spheres that are ready (cleansers, paint, rubber).

3. Strategic plans to develop science and technology and to expand the sector's economy and the 1986-1990 plan must be prepared, cooperative projects with the Soviet Union must be readied and plans to produce 800,000 to 1 million tons of phosphate fertilizer by 1990 must be prepared.

4. Capital construction must be concentrated on such key projects as:

Expanding the apatite mines in order to pour the foundation of the sorting plant by the beginning of 1985.

Perfecting the superphosphate project in order to produce 270,000 to 300,000 tons and making preparations to produce 400,000 tons in 1985.

Urgently perfecting the 50,000-ton phosphate fertilizer furnaces and building a number of additional 10,000-ton furnaces to prepare to receive the plan for the final 6 months of 1984 and for 1985.

5. Efforts must be concentrated on conducting major experiments concerning a number of scientific and technical research topics that are related to production and development requirements.

6. A number of policies and procedures within the sector's sphere must be formulated in order to stimulate and step up production, scientific and technical research, capital construction and sector development (such as the policy of using the sources of capital in scientific and technical research and the other policies).

7. Improving living conditions in coordination with increasing labor productivity and labor discipline must be promoted, and all manifestations of passivity in production, business and capital construction must be opposed. After this conference, each unit, from the general department to the production installations, must organize and develop things. Also, each unit must formulate an action program and report to the general department.

I have discussed the general problems concerning the direction of our sector during the initial stages of the period of transition and the problems that must be solved in 1984. I have done this so that we can think about these problems, exchange ideas, organize things and carry out the tasks.

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